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INDIANA'S ECONOMY

End of September, 1979

[Oct.]

INDIANA DEPARTMENT OF COMMERCE

RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP

TAD PERRY, GROUP DIRECTOR

DECEMBER 1979

The purpose of this report is to provide a brief synopsis of Indiana's economy through October of 1979. The following sections of this analysis treat particular developments in the state's economy. Specifically, they deal with their description of economic activity: overall indicators, individual sectors of the economy and leading indicators.

Overall Indicators

The overall indicators of the state of the entire economy are: personal income, the unemployment rate and aggregate employment. When general economic activity increases or decreases, these simultaneously rise or fall. Thus, a brief summary of these indicators may serve as a point of departure for obtaining an overall view of Indiana's economy.

Personal income for the second quarter of 1979 stood at $45.5 billion. This amount represents a 1.24 percent increase over the first quarter of 1979 and an 11.19 percent increase since the second quarter of 1978. The national average gains for these same two periods were 2.2 percent and 12.1 percent respectively. The 1.24 percent increase in income represents the lowest percent increase recorded by the state for one quarter since 1975. Farm and manufacturing income were the areas where negative growth in income occurred, with -5.2 and -0.90 percent changes from the previous quarter. Income for the construction and mining areas showed the largest increases of 6.4 and 2.6 percent respectively for the first quarter of 1979. The rate of increase in total personal income for Indiana was only 59 percent of the rate of the U.S. as a whole and ranked 40th out of the 50 states in percent growth.

The seasonally adjusted unemployment rate in Indiana has been above the U.S. average since June of 1979 and, as of October 1979, stands at 7.1 percent of the labor force while the U.S. average is 6.0 percent. The average unemployment rate for the year to date in Indiana is 6.12 percent while the average for the U.S. is 5.84 percent. Indiana's rate is considered to be a leading indicator for the rest of the country and it can, therefore, be suspected that the national unemployment rate will continue to rise.

The preliminary aggregate employment figure of 2.44 million people employed for October 1979 represents an increase of 2,500 people since September 1979. This increase in the number of persons employed was not large enough to offset the 15,300 people increase in the civilian labor force for the same time period. Thus, although aggregate employment is increasing, the influx of new people into the labor market has offset the increase in aggregate employment and has resulted in an increased unemployment rate for the state. National aggregate employment was at 103.94 million people for October 1979, an increase of 565,000 since September. This increase offset a 582,000 increase in the people entering the labor force, and resulted in no change in the national unemployment rate.

Individual Sectors

In the manufacturing sector, employment decreased by 3,600 people from September 1979 to October 1979. This 0.74 percent decline consist mainly of a 2,000 person layoff in the steel mills of the state plus 1,100 person decline in the electrical machinery industries. This decline is somewhat offset by the 600

person increase in the nonelectrical machinery industry employment. The 0.75 percent decline in the level of employment coupled with a 0.49 percent decline in the average work week hours results in a total decline of 0.98 percent in total manufacturing work from September 1979 to October 1979. There was a 1.43 percent decline in the manufacturing employment from October one year ago and a 1.22 percent in the average work week resulting in a total decline of 2.63 percent in the total manufacturing work. It should be noted that the percentage of Indiana's aggregate employment that is directly involved in the manufacturing of durable goods has declined from 23.44 percent in October 1978 to 22.94 percent in October 1979. This decline may signal a trend of Indiana employment away from the manufacturing of durable goods which may ease Indiana's general susceptibility to recessionary trends on the national level.

Within the construction sector, employment fell by 1,200 persons in October 1979 from September 1979. This represents a 0.98 percent decline in one month, but it should be noted that the October 1979 level of employment is still 12.56 percent higher than the October 1978 level of employment. The average work week of a construction employee fell 4.86 percent from September to October 1979 and 1.85 percent from October 1978 to October 1979. This results in a total change in the work aspect for construction of -5.79 percent from September 1979 to October 1979 but a 10.48 percent increase from October 1978 to October 1979. The October 1979 expenditure for residential construction fell 0.79 percent from September 1979 and was 9.42 percent lower than the October 1978 level. However, the nonresidential expenditures for construction reached a record level of $102.7 million for the month of October 1979. This represent a 4.1 percent increase from September 1979 and a 9.3 percent increase over the October 1978 level. The dollar value of the public works and utilities facility construction continued to fall from the record levels reached in November 1978. This is due mainly to the construction halt of the Marble Hill nuclear power plant. The October 1979 level of $120.3 million is 8.46 percent lower than the September 1979 level and 64.34 percent lower than the November 1978 level.

Employment in the wholesale and retail trade sector stood at 487,500 in October 1979. This level is a record high for this sector of Indiana's economy and represents a 0.164 percent increase over September 1979 and a 2.01 percent increase over October 1978. The average work week for an employee of the wholesale and retail trade fell 0.90 percent from September 1979 to October 1979 but increased 0.61 percent from October of last year. This results in a total change in work input of -0.735 percent from September 1979 to October 1979 but a 2.63 percent increase from October one year ago. Total retail trade sales for September (preliminary estimates) were $1.735 billion which represents a 9.59 percent decline from the previous month, and a 0.63 percent decline from September 1978.

The October 1979 employment figure for the transportation, comm nication and utilities (TCU) employment of 110,700 shows a decline from the record levels of 112,000 experienced during the months of June, July and August. The October levels represent a 500 person decline from September 1979 levels,

and a 1,100 person increase from October 1978. The average work week for TCU employees fell 0.24 percent from the September level and the same decline from the October 1978 levels. The final result being a -0.69 percent decline in the average work input from the month of September to October 1979 and a 0.76 percent increase from October one year ago.

The employment level for the finance, insurance and real estate employment (FIRE) was at a level of 100,900 people after reaching a record high of 101,100 in July of 1979. The new figure represents a 0.60 percent increase from the September 1979 level and a 5.32 percent increase from October one year ago. The average work week for a FIRE employee fell 5.68 percent from September of 1979 and a 4.91 percent decline was experienced from October of last year. This total result is one of a -5.11 percent change in total work input from September 1979 and a 0.16 percent increase in work input from October 1978.

The mining and service sectors both experienced a small decline in employment after obtaining record high levels in previous months. Mining's employment level in October dropped by just 100 people to the 10,200 level. This level is just 200 people less than the record level obtained in June of 1979. The 0.97 percent decline coupled with a 0.46 percent increase in the average hours worked by a mining employee results in a total of 0.52 percent decline in total work input from September 1978 and a 4.97 percent increase from October 1978. The service sector of the state economy experienced a 2,400 person decline in employment from September 1979's record high of 332,400. This current level of 330,000 for October 1979 represents a 0.72 percent decline from the previous month, but a 9.20 percent increase from the year before. The average work week for services employees fell from September by 1.21 percent and from October 1978 by 0.61 percent. This results in a total service input from September 1979 to October 1979 of -1.93 percent and an increase from October 1978 of 8.53 percent. The resolution of most of the teachers' strikes in the state resulted in an increase of 7,000 person employed in the government sector. This level of 370,200 people employed is an increase of 1.93 percent over the September level and 2.01 percent increase over the past 12 months.

During the first ten months of 1979, for every dollar paid out by farmers, they received an average of 96.8 cents, as compared to 98.9 cents for the same period in 1978. As reported earlier, farms received 5.6 percent less personal income in the second quarter 1979 than the first quarter. This decline was the largest of the many sectors of the economy. The total number of farmers decreased by 8,000 to a level of 107,000, from July 1979 to October 1979. This level is 6.96 percent decline from the third quarter 1979, and a 2.73 percent reduction from the October quarter 1978. The change in this quarter employment showed an increase in the percentage of total employees that were nonfamily workers.

Leading Indicators

The above factors provide an overview of Indiana's economy. There are four factors which reach business cycle peaks and troughs ahead of general economic activity. These indicators: (average work week in manufacturing, layoff rate in manufacturing, housing starts and non-agricultural placements) are important

because they function as leading indicators and allow inference about future economic conditions.

The average work week in manufacturing for the first ten months of 1979 was 40.54 hours. This compares with the national average of 40.04 hours per manufacturing week in the first nine months of 1979 and 40.40 for the 1978 average. The past five months, June through October, have shown a relative stability in the average work week. It has begun to reveal that most manufacturing overtime has been eliminated and, therefore, any decline in demand may result in continued decline in employment.

The manufacturing layoff rate in Indiana for September 1974 was 12 per 1000 workers employed as compared to 11 per 1000 in the U.S. as a whole. This is the first month since April 1979 in which the state and U.S. figures were similar. This figure for Indiana represents a decline of eight people per 1000 persons employed from the September rate and is the first since service April that when the layoff rate declined from the previous month. This represents the greatest single month improvement recorded since 1975. The most significant changes in the layoff rate occurred in the transportation equipment industry. In the transportation equipment sector there was a 1.6 person per 1000 employee layoff rate while simultaneously there was a 62 person per 1000 recall rate. The highest layoff rate was attributed to the rubber and plastic products industry with 2.8 layoffs per 100 employees. The lowest layoff rate record was that of the chemical industry, where no layoffs were reported in September.

There were 3,561 housing starts in October 1979, this brings the 1979 ten month total up to 30,394 units. This level is 18.69 percent below last year's ten months level, with the 1978 and 1979 October level being roughly the same at 3,500 and 3,561 respectively.

Nonagricultural placements (individuals) fell from the August 1979 level of 16,134 to the September 1979 level of 10,901. The average of the first nine months of 1979, 1978 and 1977 were 8,980, 9,960, 9,210 respectively. This change in rate through the years would tend to indicate that those persons seeking employment through employment services agencies are find it more difficult to secure a job. There was no national information available for comparison. The continous unemployment trend for the second quarter 1979 were 17.88 percent higher than the second quarter 1978. Continuous claims are the numbers of individuals who file unemployment claims for two or more times in succession. This figure is generally construed to be those people who are seeking a job but are unable to find one.

The manufacturing sector of Indiana has dominated in the direction of the economic growth. The production of manufactured goods may be a small benchmark of the state's economy. Manufacturing production rose in October 1979 from the September level by 1.2 percent, and was above the October 1978 level by 0.72 percent. This small increase has resulted in the change in the levels of manufacturing employment and manufacturing income. Another measure of overall manufacturing production is the sales of electricity to the industrial sector. The sales of electricity has a positive correlation to the manufacturing

production level. The sales of electricity to the industrial sector increase 1.75 percent from August 1979 to September 1979, but showed a 3.57 percent decline from the September 1978 level. This decline, coupled with the increase in manufacturing production, can be seen as a decline in the amount of electricity used per production unit.

A major export product of Indiana is steel. Raw steel production, increased 4.25 percent from September 1979 to October 1979, but showed a 15.66 percent reduction from October of last year. The total production of steel for the state as of the tenth month of the year in 1979 is 2.70 percent below the 1978 level. The steel industry as a whole this year realized two record production months, March and May, and one month's production, September, that marked a 33 month low. These mixed levels of production created havoc with the primary metal's industry employment levels.

Indiana's economy on the whole is becoming less dependent on the automotive portion of the aggregate employment. From 1979's first quarter to the second, the total percentage of employment directly related to the production of the automobile as compared to the whole manufacturing sector has fallen from 12.26 percent to 11.97 percent. Auto sales for the U.S. have fallen 3.87 percent from September 1978 to September 1979 with a large portion of this decline coming from the fall in demand for Chrylser products. Indiana has the second largest Chrysler employment in the U.S.

Conclusion

The diversity of Indiana's economy helps to sustain its growth through a general economic decline. The dependency Indiana has on the manufacturing sector is still a dominant factor in directing Indiana's economy. The present information tends to reveal the fact that has been basically inevitable for the past few months that Indiana is leading into a recession cycle. If Indiana is a leading indicator for the U.S. economy, as it has been in the past, then the nation as a whole will finally realize the recession that has been predicted for so long.

The information available to date indicates that the oncoming recession may not be of the severity of the 1975 recession. The severity of a recession for 1980 for Indiana may well depend on the outcome of federal legislation concerning the Chrysler corporation and money and energy policies. Indiana's current slowing trend may well be a view of the U.S.'s near economic future.

DATA

The following section is composed of data graphs for the indicators discussed in the narrative. Most of the data is from November 1978 through October 1979, but a few are for October 1978 through September 1979 and two are quarterly.

DATA SOURCES

The following information is from the U.S. Department of Commerce.

Personal Income - "Survey of Current Business," second quarter 1979 is latest available, seasonally adjusted at annual rates.

Retail Sales - "Monthly Retail Trade," U.S. Bureau of the Census, preliminary September 1979 is latest available, other months are revised, not adjusted for seasonal variations, holiday or trading day differences.

The following is from Purdue University, Department of Agricultural Statistics.

Agricultural Employment - Quarterly data, latest is October 1979.

Prices Received by Farmers - Mid-month figures, latest available is October 1979.

The following are from the Indiana University School of Business, Business Research Division.

Industrial Electricity Sales - Original series, latest month available is September 1979.

Raw Steel Production - Original series, latest month available is October 1979.

Residential and Non-residential Expenditures - Original series, latest month available is October 1979.

Housing Starts - Original series, latest month available is October 1979.

Construction of Public Works and Utilities Facilities - Original series, latest month available is October 1979.

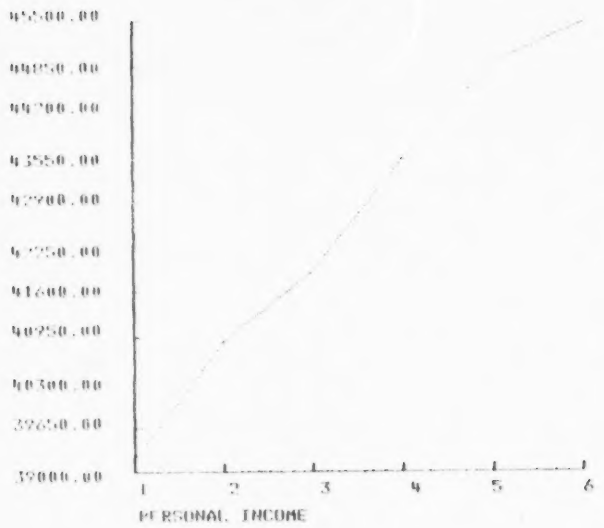
Manufacturing Production - Seasonally adjusted series, latest month available is October 1979.

The following data is from the Indiana Employment Security Division.

Aggregate Employment, Unemployment Rate, Average Work Week in Manufacturing, Non-agricultural Placements, Manufacturing Employment and the Employment Figures for the Various Non-Manufacturing Sectors - Latest month available is October 1979. All of these, except Non-agricultural Placements, are revised each month. For example, the October data not only gives the preliminary October figures, but also revise the September figures.

Manufacturing Layoff Rate - Latest month available is July 1979 and these monthly figures are not revised.

Average people hours per work week is derived by combining Indiana Employment Security employment data multiplied by Indiana Employment Security average work week information. It should be noted that the indicators which are expressed in dollar amounts are in current dollars. This is due to the fact that even though there are implicit price deflators for the various sectors of GNP, these deflators are not specific to Indiana and thus cannot be applied.



PERSONAL INCOME

	QUARTER	DATA VALUE*
1	1978 I	39202
2	II	40871
3	III	41871
4	IV	43420
5	1979 I	44887
6	II	45495

* MILLIONS OF DOLLARS

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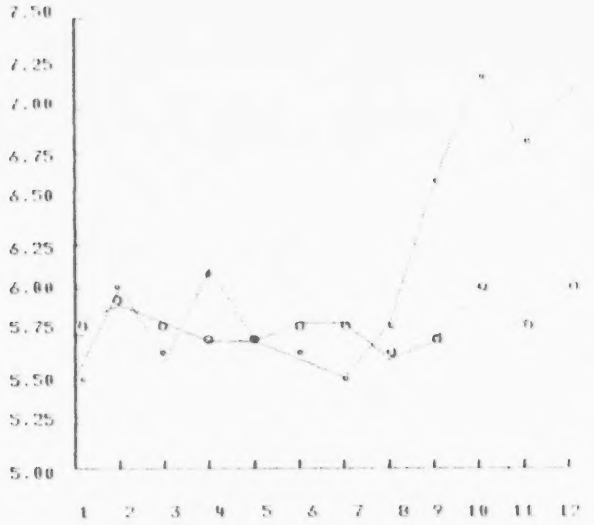

SEASONALLY ADJUSTED UNEMPLOYMENT RATE

● Indiana
O U.S.

	Month	DATA VALUE* U.S.	Indiana
1.	November	5.8	5.5
2.	December	5.9	6.0
3.	January	5.8	5.6
4.	February	5.7	6.1
5.	March	5.7	5.7
6.	April	5.8	5.6
7.	May	5.8	5.5
8.	June	5.6	5.8
9.	July	5.7	6.6
10.	August	6.0	7.2
11.	September	5.8	6.8
12.	October	6.0	7.1

* Percent of Labor Force Unemployed.

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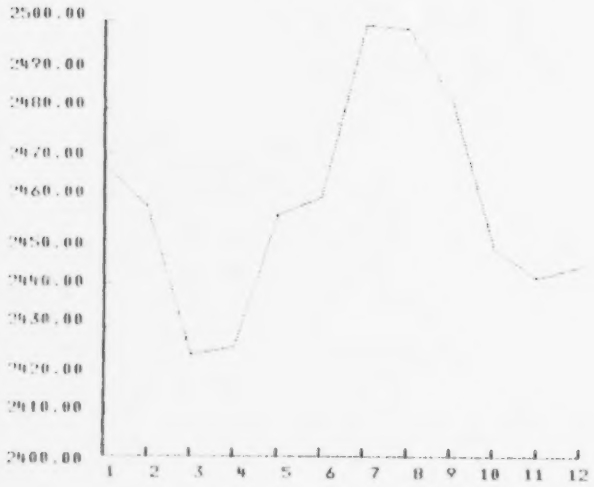

AGGREGATE EMPLOYMENT

	MONTH	DATA VALUE*
1	NOVEMBER	2466.7
2	DECEMBER	2457.2
3	JANUARY	2423.4
4	FEBRUARY	2425.2
5	MARCH	2455.3
6	APRIL	2459.4
7	MAY	2490.9
8	JUNE	2498.2
9	JULY	2482.0
10	AUGUST	2447.7
11	SEPTEMBER	2441.4
12	OCTOBER	2443.9

* THOUSANDS OF EMPLOYED

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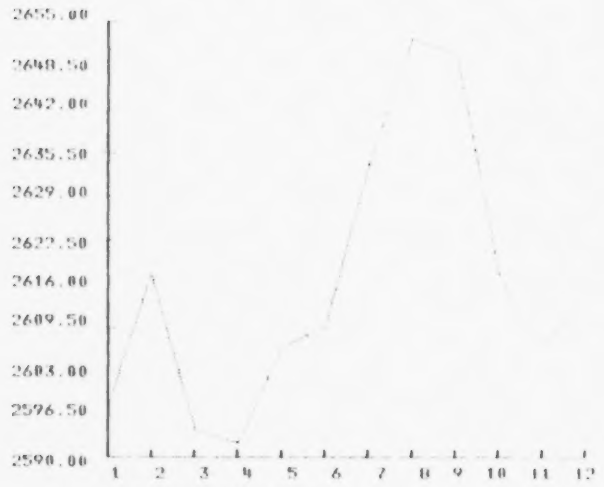

CIVILIAN LABOR FORCE

	MONTH	DATA VALUE*
1	NOVEMBER	2597.8
2	DECEMBER	2617.4
3	JANUARY	2594.2
4	FEBRUARY	2592.2
5	MARCH	2606.3
6	APRIL	2609.8
7	MAY	2633.6
8	JUNE	2652.4
9	JULY	2650.2
10	AUGUST	2617.3
11	SEPTEMBER	2606.8
12	OCTOBER	2615.9

* THOUSANDS OF EMPLOYED

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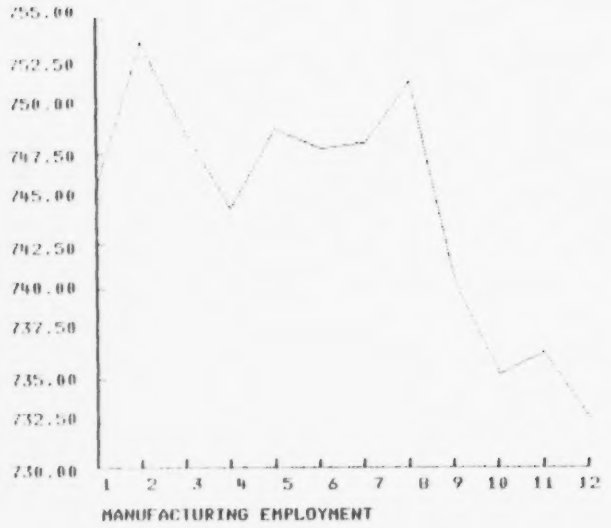

MANUFACTURING EMPLOYMENT

	MONTH	DATA VALUE*
1	NOVEMBER	745.7
2	DECEMBER	753.6
3	JANUARY	748.5
4	FEBRUARY	744.4
5	MARCH	748.0
6	APRIL	747.7
7	MAY	748.0
8	JUNE	751.3
9	JULY	740.2
10	AUGUST	735.2
11	SEPTEMBER	736.4
12	OCTOBER	732.0

* THOUSANDS OF EMPLOYED

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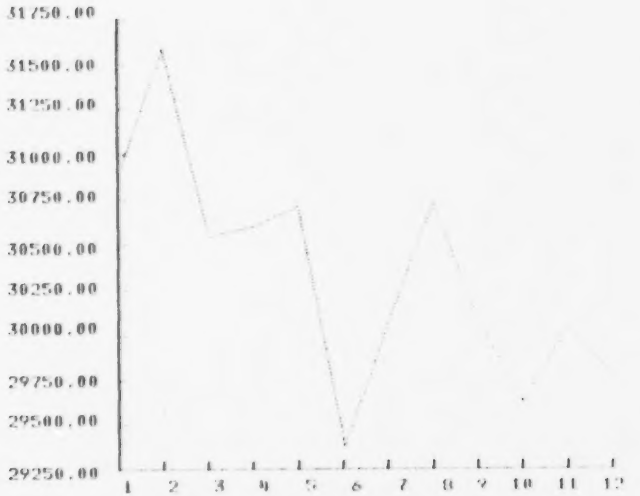

AVERAGE PEOPLE HOURS PER WORK WEEK
IN MANUFACTURING

	MONTH	DATA VALUE*
1.	November	30,871.98
2.	December	31,575.84
3.	January	30,538.80
4.	February	30,594.80
5.	March	30,700.80
6.	April	29,384.60
7.	May	30,069.60
8.	June	30,728.20
9.	July	30,052.10
10.	August	29,628.56
11.	September	30,045.12
12.	October	29,751.68

* Thousands of Hours

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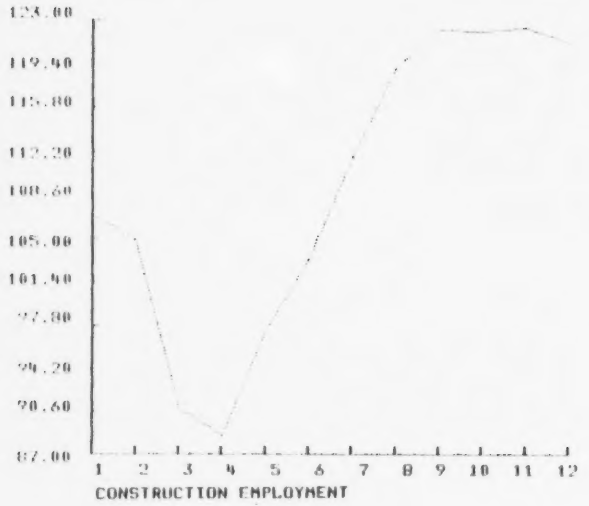

CONSTRUCTION EMPLOYMENT

	MONTH	DATA VALUE*
1	NOVEMBER	106.9
2	DECEMBER	104.8
3	JANUARY	90.8
4	FEBRUARY	88.6
5	MARCH	97.3
6	APRIL	103.2
7	MAY	111.7
8	JUNE	118.9
9	JULY	122.1
10	AUGUST	121.9
11	SEPTEMBER	122.2
12	OCTOBER	121.0

* THOUSANDS OF EMPLOYED

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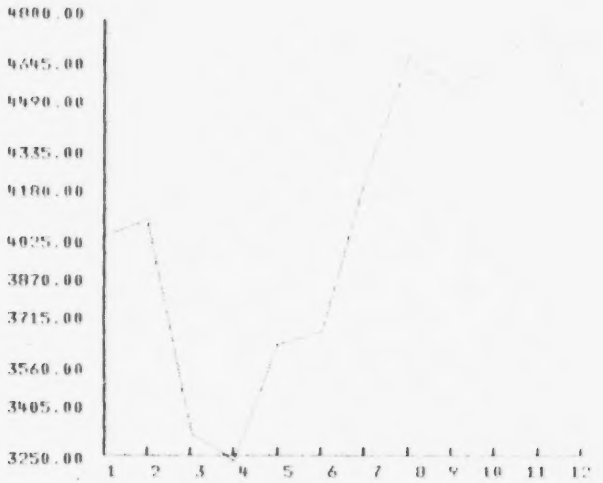

AVERAGE PEOPLE HOURS PER WORK WEEK IN CONSTRUCTION

	MONTH	DATA VALUE*
1.	November	4,030.13
2.	December	4,087.20
3.	January	3,332.36
4.	February	3,233.90
5.	March	3,648.75
6.	April	3,694.56
7.	May	4,233.43
8.	June	4,660.88
9.	July	4,558.06
10.	August	4,632.20
11.	September	4,778.02
12.	October	4,501.02

* Thousands of Hours

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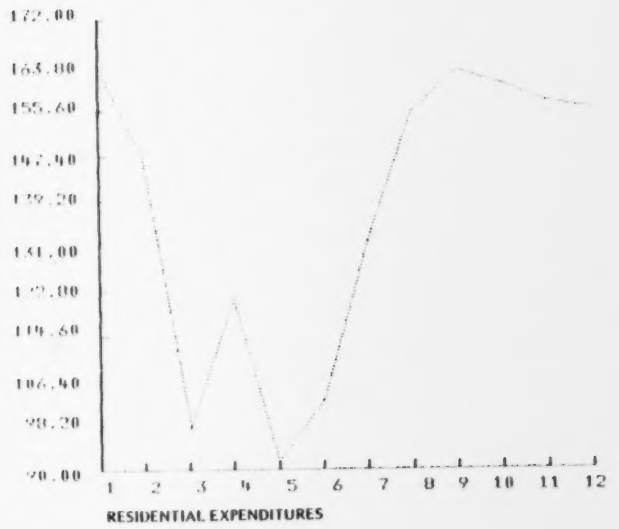

RESIDENTIAL EXPENDITURES

	MONTH	DATA VALUE*
1	NOVEMBER	163.6
2	DECEMBER	196.8
3	JANUARY	97.6
4	FEBRUARY	120.8
5	MARCH	91.7
6	APRIL	102.5
7	MAY	131.5
8	JUNE	154.8
9	JULY	162.2
10	AUGUST	160.0
11	SEPTEMBER	156.7
12	OCTOBER	155.5

* BILLIONS OF DOLLARS

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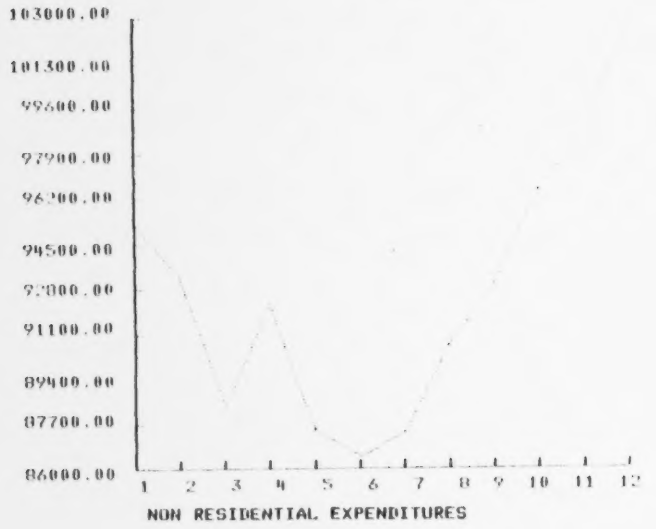

NON RESIDENTIAL EXPENDITURES

	MONTH	DATA VALUE*
1	NOVEMBER	95238.6
2	DECEMBER	93186.8
3	JANUARY	88383.1
4	FEBRUARY	92186.6
5	MARCH	89920.2
6	APRIL	86461.4
7	MAY	87379.1
8	JUNE	96402.4
9	JULY	92971.4
10	AUGUST	95470.3
11	SEPTEMBER	98249.8
12	OCTOBER	102787.5

* THOUSANDS OF DOLLARS

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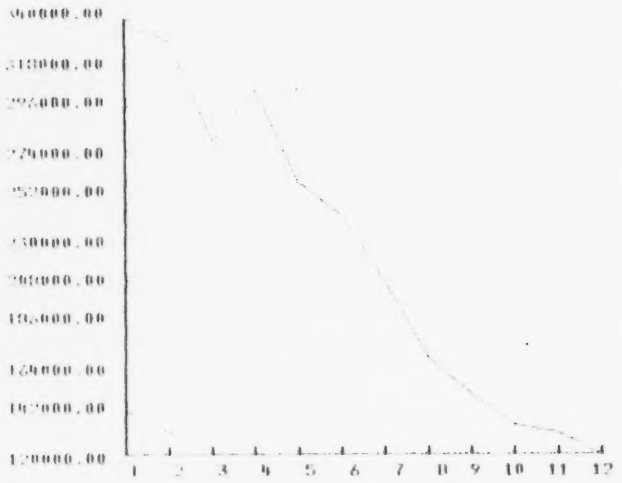

EXPENDITURES ON THE CONSTRUCTION OF PUBLIC WORKS AND UTILITIES

	MONTH	DATA VALUE*
1	NOVEMBER	337396.8
2	DECEMBER	329828.4
3	JANUARY	278895.8
4	FEBRUARY	303907.8
5	MARCH	257685.8
6	APRIL	240437.4
7	MAY	207178.8
8	JUNE	169373.8
9	JULY	150922.6
10	AUGUST	135466.9
11	SEPTEMBER	131436.1
12	OCTOBER	120315.8

* THOUSANDS OF DOLLARS

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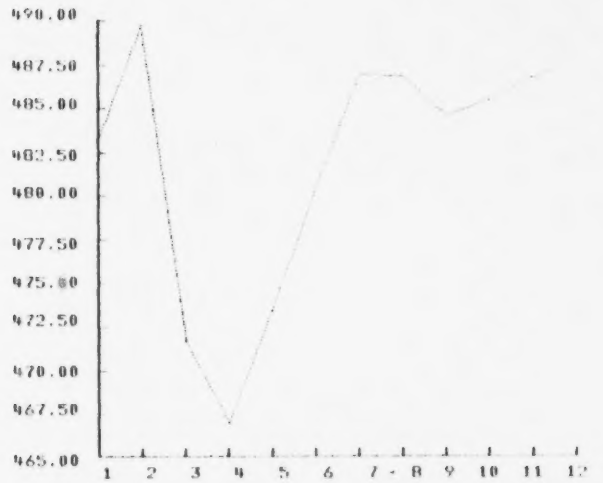


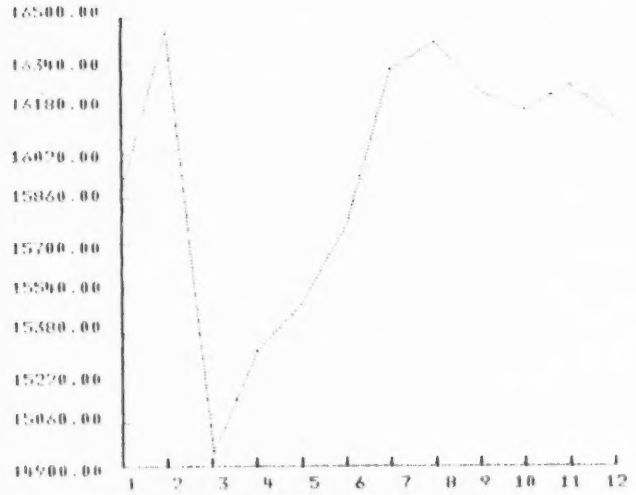
WHOLESALE AND RETAIL TRADE EMPLOYMENT

	MONTH	DATA VALUE*
1	NOVEMBER	483.1
2	DECEMBER	489.7
3	JANUARY	471.6
4	FEBRUARY	466.9
5	MARCH	473.4
6	APRIL	480.5
7	MAY	486.9
8	JUNE	486.8
9	JULY	489.5
10	AUGUST	485.4
11	SEPTEMBER	486.2
12	OCTOBER	487.5

* THOUSANDS OF EMPLOYED

PREPARED ON DECEMBER 1979

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



AVERAGE PEOPLE HOURS PER WORK WEEK
IN WHOLESALE AND RETAIL TRADE

	MONTH	DATA VALUE*
1.	November	15,893.99
2.	December	16,453.92
3.	January	14,949.72
4.	February	15,314.32
5.	March	15,480.18
6.	April	15,760.40
7.	May	16,311.15
8.	June	16,405.16
9.	July	16,230.75
10.	August	16,163.82
11.	September	16,255.78
12.	October	16,136.25

* Thousands of Hours

PREPARED ON DECEMBER 1979

ECONOMIC RESEARCH DIVISION
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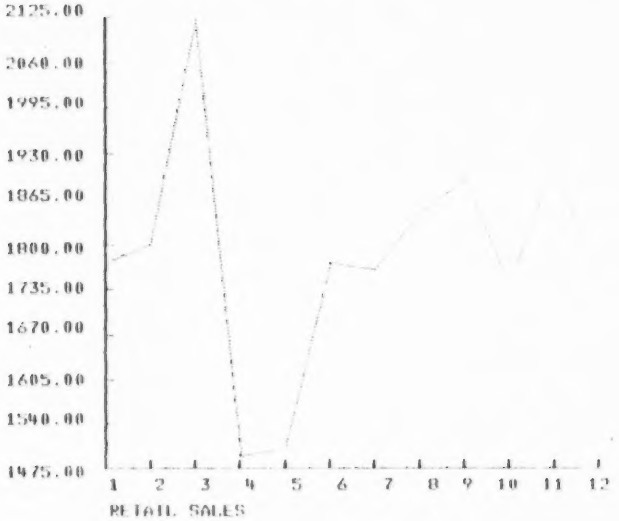
INDIANA DEPARTMENT OF COMMERCE



RETAIL SALES

	MONTH	DATA VALUE*
1	OCTOBER	1771.0
2	NOVEMBER	1797.0
3	DECEMBER	2119.0
4	JANUARY	1693.0
5	FEBRUARY	1709.0
6	MARCH	1771.0
7	APRIL	1763.0
8	MAY	1843.0
9	JUNE	1891.0
10	JULY	1738.0
11	AUGUST	1919.0
12	SEPTEMBER	1735.0

* MILLIONS OF DOLLARS

PREPARED ON OCTOBER 1979

ECONOMIC RESEARCH DIVISION
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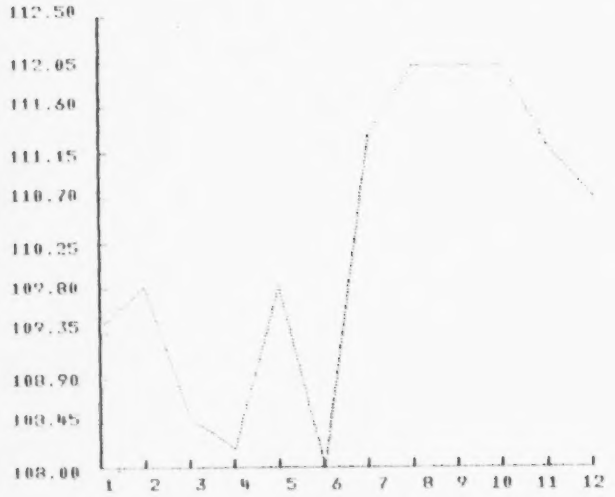
INDIANA DEPARTMENT OF COMMERCE



TRANSPORTATION, COMMUNICATION AND UTILITIES EMPLOYMENT

	MONTH	DATA VALUE*
1	NOVEMBER	109.4
2	DECEMBER	109.8
3	JANUARY	108.5
4	FEBUARY	108.2
5	MARCH	109.8
6	APRIL	108.0
7	MAY	111.3
8	JUNE	112.0
9	JULY	112.0
10	AUGUST	112.0
11	SEPTEMBER	111.2
12	OCTOBER	110.7

* THOUSANDS OF EMPLOYED

PREPARED ON DECEMBER 1979

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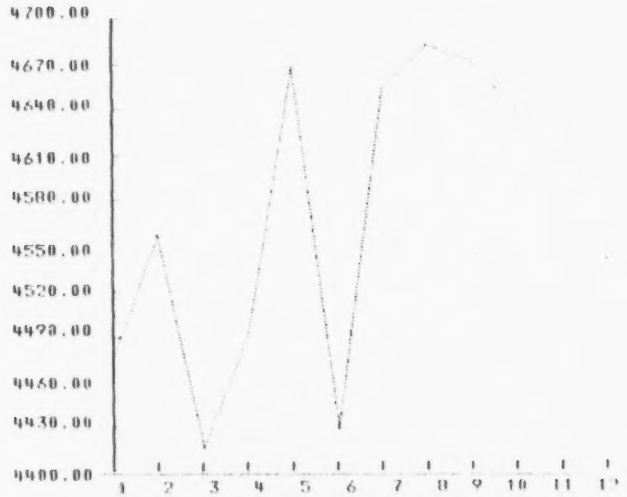
INDIANA DEPARTMENT OF COMMERCE



AVERAGE PEOPLE HOURS PER WORK WEEK IN TRANSPORTATION, COMMUNICATION AND UTILITIES.

	MONTH	DATA VALUE*
1.	November	4,474.46
2.	December	4,556.70
3.	January	4,415.90
4.	February	4,490.30
5.	March	4,660.50
6.	April	4,428.00
7.	May	4,652.34
8.	June	4,681.60
9.	July	4,670.40
10.	August	4,636.80
11.	September	4,570.32
12.	October	4,538.70

* Thousands of Hours

PREPARED ON DECEMBER 1979

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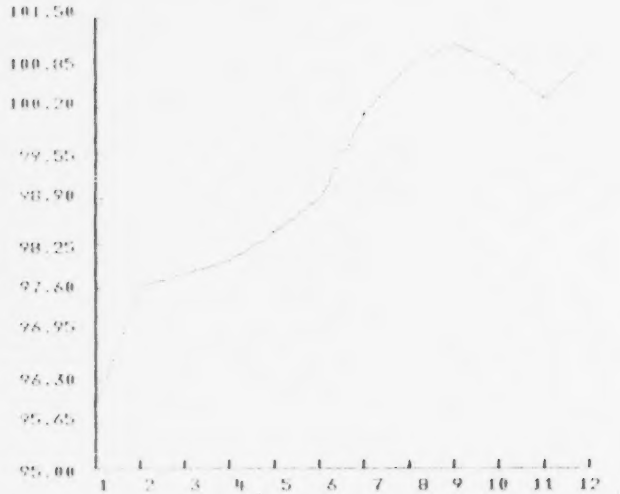
INDIANA DEPARTMENT OF COMMERCE



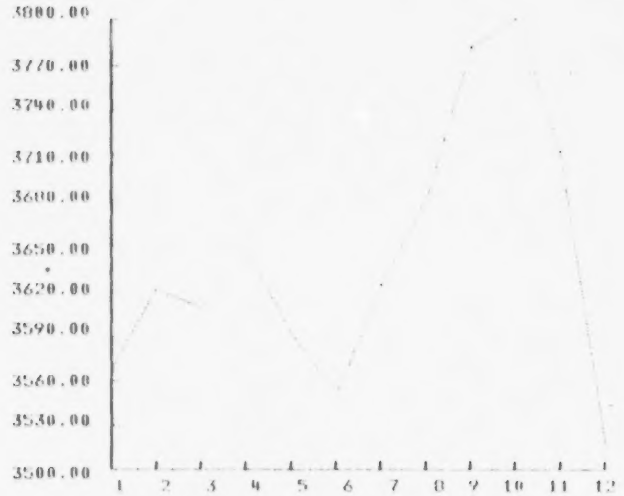
FINANCE, INSURANCE AND REAL ESTATE EMPLOYMENT

	MONTH	DATA VALUE*
1	NOVEMBER	95.9
2	DECEMBER	97.6
3	JANUARY	97.8
4	FEBRUARY	98.0
5	MARCH	98.4
6	APRIL	98.9
7	MAY	100.1
8	JUNE	100.8
9	JULY	101.1
10	AUGUST	100.0
11	SEPTEMBER	100.5
12	OCTOBER	100.7

* THOUSANDS OF EMPLOYED

PREPARED ON DECEMBER 1979

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



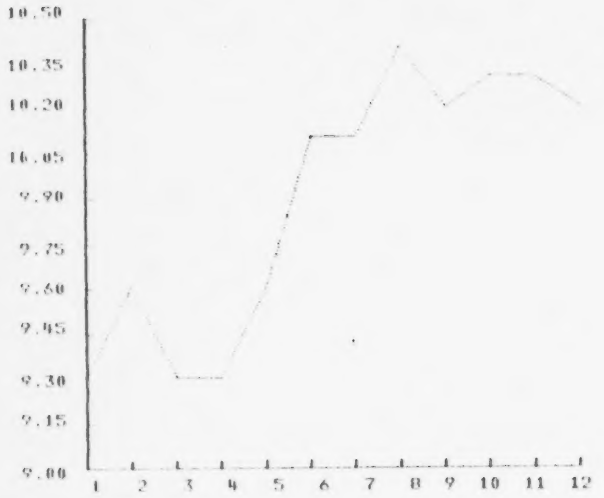
AVERAGE PEOPLE HOURS PER WORK WEEK IN FINANCE, INSURANCE AND REAL ESTATE

	MONTH	DATA VALUE*
1.	November	3,567.48
2.	December	3,620.96
3.	January	3,608.82
4.	February	3,645.60
5.	March	3,591.60
6.	April	3,550.51
7.	May	3,623.62
8.	June	3,679.20
9.	July	3,781.14
10.	August	3,800.16
11.	September	3,711.10
12.	October	3,521.41

* Thousands of Hours

PREPARED ON DECEMBER 1979

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



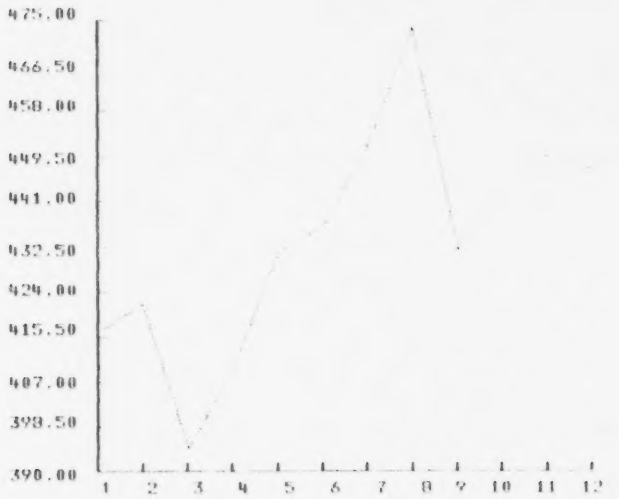
MINING EMPLOYMENT

	MONTH	DATA VALUE*
1	NOVEMBER	9.3
2	DECEMBER	9.6
3	JANUARY	9.3
4	FEBRUARY	9.3
5	MARCH	9.6
6	APRIL	10.1
7	MAY	10.1
8	JUNE	10.4
9	JULY	10.2
10	AUGUST	10.3
11	SEPTEMBER	10.3
12	OCTOBER	10.2

* THOUSANDS OF EMPLOYED

PREPARED ON DECEMBER 1979

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



AVERAGE PEOPLE HOURS PER WORK WEEK
IN MINING

	MONTH	DATA VALUE*
1.	November	416.64
2.	December	421.44
3.	January	394.32
4.	February	409.20
5.	March	431.04
6.	April	436.32
7.	May	451.47
8.	June	473.20
9.	July	431.46
10	August	443.93
11.	September	449.08
12.	October	496.76

* Thousands of Hours

PREPARED ON DECEMBER 1979

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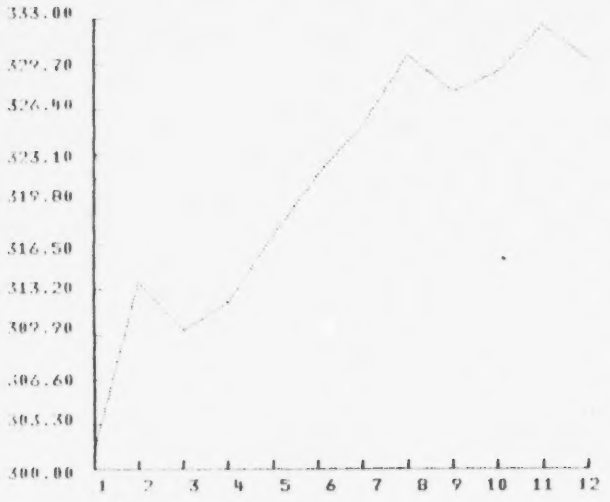
INDIANA DEPARTMENT OF COMMERCE



SERVICE EMPLOYMENT

	MONTH	DATA VALUE*
1	NOVEMBER	301.6
2	DECEMBER	313.6
3	JANUARY	310.1
4	FEBRUARY	312.2
5	MARCH	317.0
6	APRIL	321.5
7	MAY	325.1
8	JUNE	330.2
9	JULY	327.6
10	AUGUST	329.0
11	SEPTEMBER	332.4
12	OCTOBER	330.0

* THOUSANDS OF EMPLOYED

PREPARED ON DECEMBER 1979

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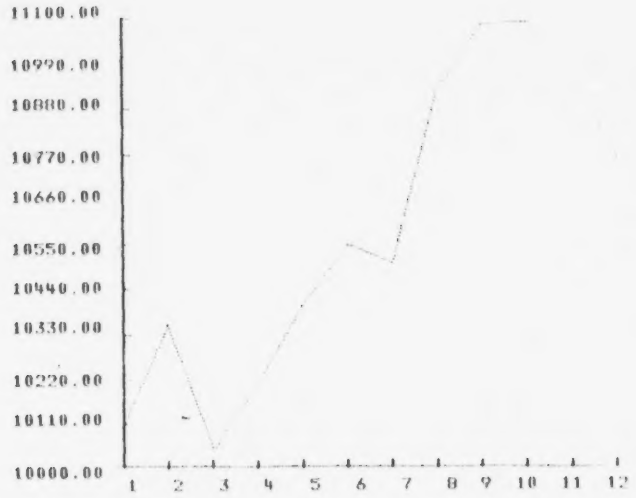
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



AVERAGE PEOPLE HOURS PER WORK WEEK
IN SERVICES

	MONTH	DATA VALUE*
1.	November	10,103.60
2.	December	10,348.80
3.	January	10,047.24
4.	February	10,208.94
5.	March	10,397.60
6.	April	10,545.20
7.	May	10,500.73
8.	June	10,919.69
9.	July	11,083.02
10.	August	11,087.30
11.	September	10,969.20
12.	October	10,758.00

* Thousands of Hours

PREPARED ON DECEMBER 1979

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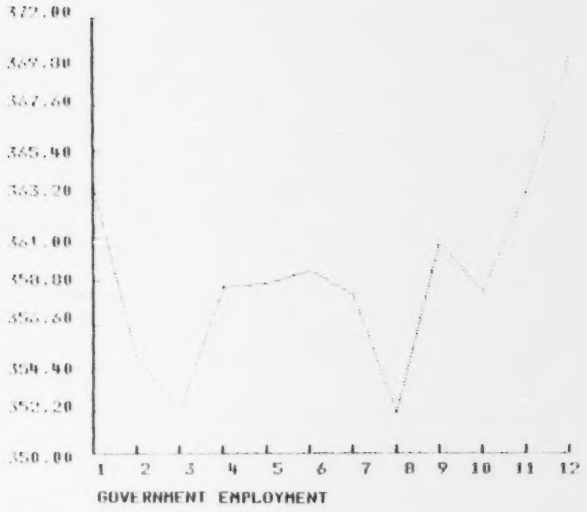
INDIANA DEPARTMENT OF COMMERCE



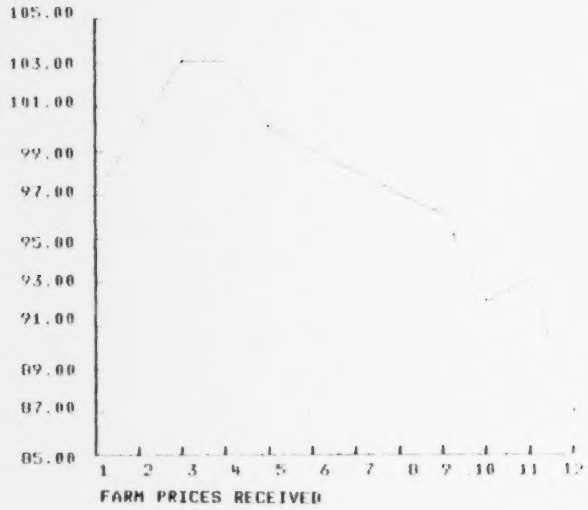
GOVERNMENT EMPLOYMENT

	MONTH	DATA VALUE *
1	NOVEMBER	363.6
2	DECEMBER	354.9
3	JANUARY	352.3
4	FEBRUARY	358.4
5	MARCH	358.6
6	APRIL	359.2
7	MAY	359.8
8	JUNE	352.8
9	JULY	360.7
10	AUGUST	358.1
11	SEPTEMBER	363.2
12	OCTOBER	370.2

* THOUSANDS OF EMPLOYED

PREPARED ON DECEMBER 1979

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



FARM PRICES RECEIVED

	MONTH	DATA VALUE *
1	NOVEMBER	97.0
2	DECEMBER	100.0
3	JANUARY	103.0
4	FEBRUARY	103.0
5	MARCH	100.0
6	APRIL	99.0
7	MAY	98.0
8	JUNE	97.0
9	JULY	96.0
10	AUGUST	92.0
11	SEPTEMBER	93.0
12	OCTOBER	87.0

* CENTS PER $1.00 PAID

PREPARED ON OCTOBER 1979

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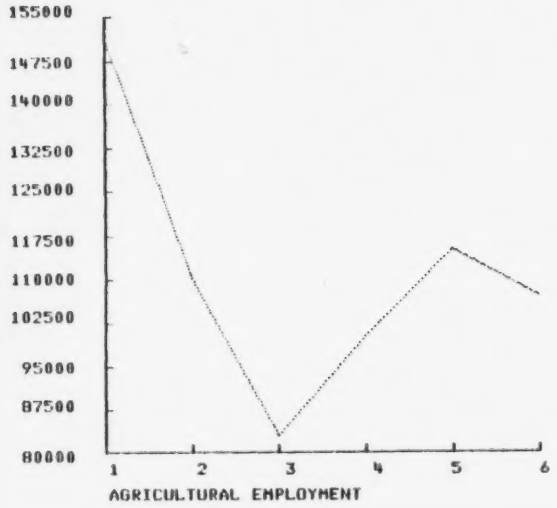
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



	QUARTER ENDING		DATA VALUE*
1	JULY	1978	151000
2	OCTOBER	1978	110000
3	JANUARY	1979	83000
4	APRIL	1979	100000
5	JULY	1979	115000
6	OCTOBER	1979	107000

* INDIVIDUAL WORKERS

PREPARED ON DECEMBER 1979

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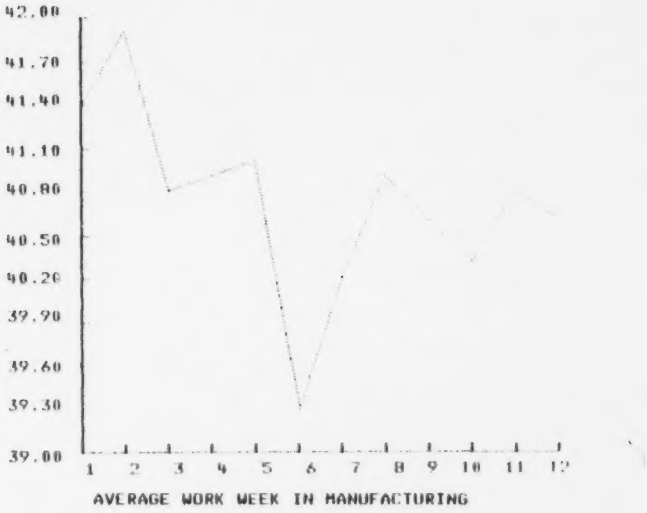
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE

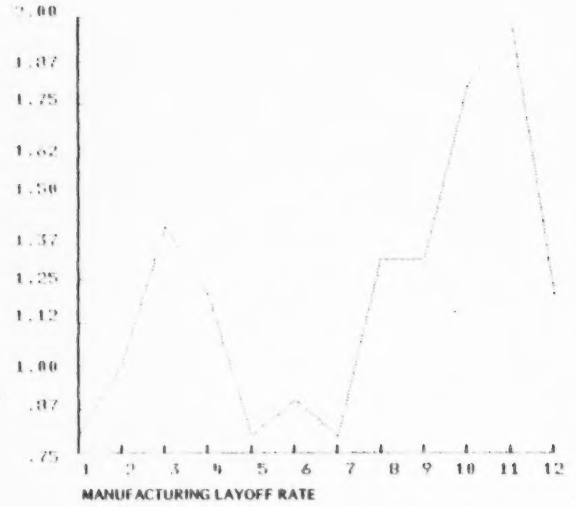


	MONTH	DATA VALUE*
1	NOVEMBER	41.4
2	DECEMBER	41.9
3	JANUARY	40.0
4	FEBUARY	40.9
5	MARCH	41.0
6	APRIL	39.3
7	MAY	40.2
8	JUNE	40.9
9	JULY	40.6
10	AUGUST	40.5
11	SEPTEMBER	40.8
12	OCTOBER	40.6

* HOURS

PREPARED ON DECEMBER 1979

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



MANUFACTURING LAYOFF RATE

	MONTH	DATA VALUE *
1	OCTOBER	.8
2	NOVEMBER	1.0
3	DECEMBER	1.4
4	JANUARY	1.2
5	FEBRUARY	.8
6	MARCH	.9
7	APRIL	.8
8	MAY	1.3
9	JUNE	1.3
10	JULY	1.8
11	AUGUST	2.0
12	SEPTEMBER	1.2

* WORKERS / HUNDRED WORKERS EMPLOYED

PREPARED ON DECEMBER 1979

ECONOMIC RESEARCH DIVISION
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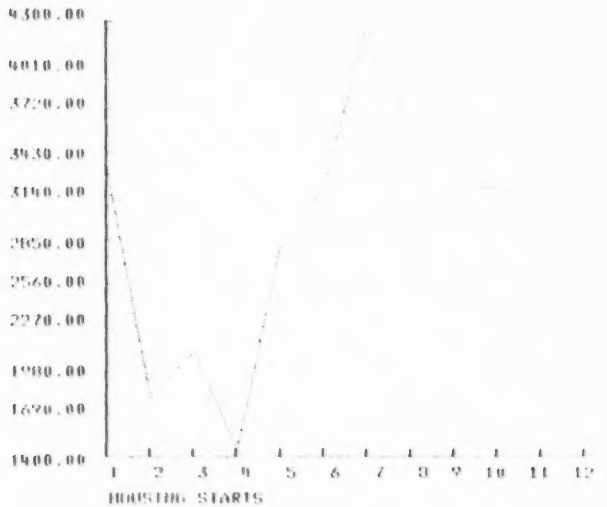
INDIANA DEPARTMENT OF COMMERCE



HOUSING STARTS

	MONTH	DATA VALUE *
1	NOVEMBER	3350.0
2	DECEMBER	1989.0
3	JANUARY	2898.0
4	FEBRUARY	1963.0
5	MARCH	2795.0
6	APRIL	3287.0
7	MAY	4200.0
8	JUNE	3559.0
9	JULY	3215.0
10	AUGUST	3191.0
11	SEPTEMBER	3059.0
12	OCTOBER	3541.0

* NUMBER OF UNITS

PREPARED ON DECEMBER 1979

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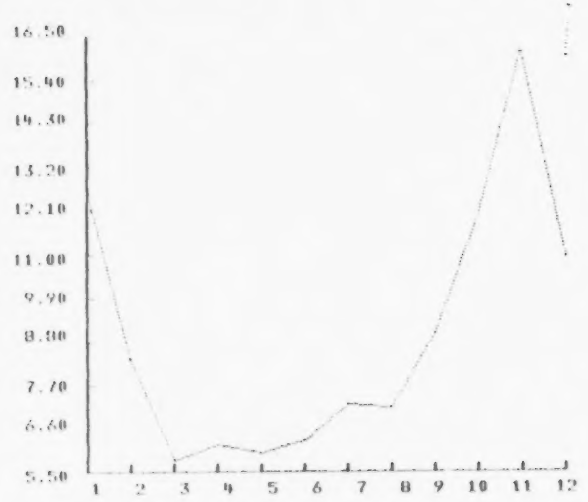
INDIANA DEPARTMENT OF COMMERCE



NON AGRICULTURAL PLACEMENTS

	MONTH	DATA VALUE ▸
1	OCTOBER	12.6
2	NOVEMBER	8.3
3	DECEMBER	5.8
4	JANUARY	6.2
5	FEBRUARY	6.0
6	MARCH	6.3
7	APRIL	7.2
8	MAY	7.1
9	JUNE	9.0
10	JULY	12.0
11	AUGUST	16.1
12	SEPTEMBER	18.9

▸ THOUSANDS OF INDIVIDUALS

PREPARED ON DECEMBER 1979

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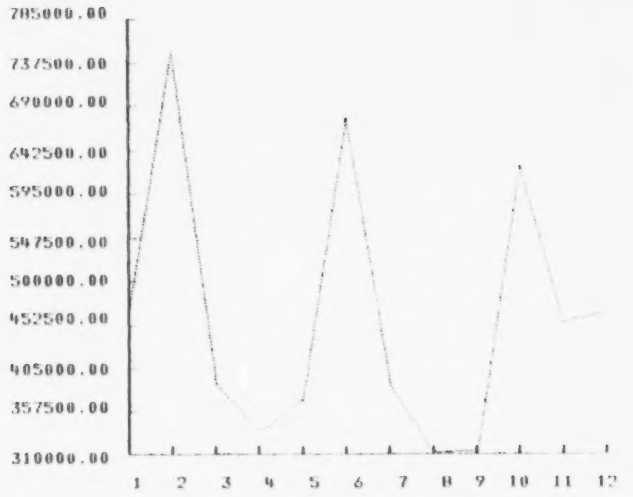
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



CONTINUOUS UNEMPLOYMENT CLAIMS

	QUARTER		DATA VALUE *
1.	1976	IV	464,300
2.	1977	I	747,600
3.	1977	II	386,700
4.	1977	III	343,200
5.	1977	IV	369,800
6.	1978	I	685,700
7.	1978	II	384,900
8.	1978	III	313,100
9.	1978	IV	314,400
10.	1979	I	623,400
11.	1979	II	453,700
12.	1979	III	464,517●

* Thousand of Unemployment Claim Request

● Estimated

PREPARED ON DECEMBER 1979

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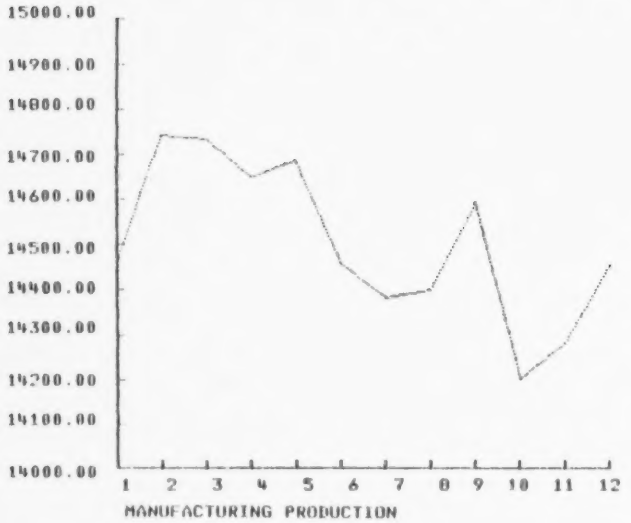
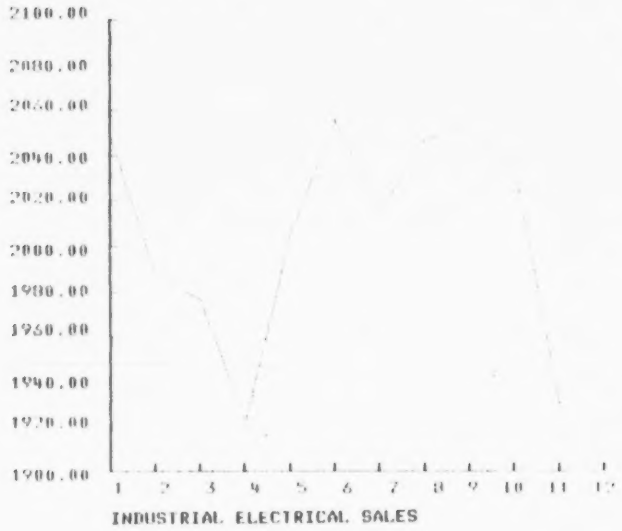
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



MANUFACTURING PRODUCTION



INDUSTRIAL ELECTRICAL SALES

	MONTH	DATA VALUE*
1	NOVEMBER	14460.5
2	DECEMBER	14741.4
3	JANUARY	14727.7
4	FEBUARY	14645.3
5	MARCH	14680.5
6	APRIL	14452.6
7	MAY	14375.4
8	JUNE	14394.5
9	JULY	14586.9
10	AUGUST	14198.7
11	SEPTEMBER	14279.7
12	OCTOBER	14450.3

* MILLIONS OF UNITS

PREPARED ON DECEMBER 1979

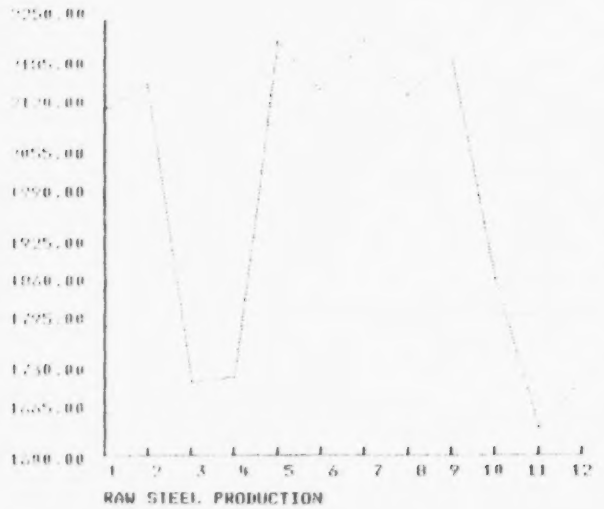
ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE

	MONTH	DATA VALUE*
1	OCTOBER	2001.0
2	NOVEMBER	1988.6
3	DECEMBER	1975.2
4	JANUARY	1977.0
5	FEBRUARY	2003.2
6	MARCH	2055.2
7	APRIL	2015.5
8	MAY	2063.5
9	JUNE	2052.1
10	JULY	2036.9
11	AUGUST	1999.4
12	SEPTEMBER	1983.6

* BILLIONS OF KILOWATT HOURS

PREPARED ON DECEMBER 1979

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



RAW STEEL PRODUCTION

	MONTH	DATA VALUE *
1	NOVEMBER	2115.3
2	DECEMBER	2154.3
3	JANUARY	1710.3
4	FEBRUARY	1715.0
5	MARCH	2216.0
6	APRIL	2140.9
7	MAY	2218.8
8	JUNE	2136.2
9	JULY	2187.3
10	AUGUST	1868.5
11	SEPTEMBER	1941.8
12	OCTOBER	1711.6

* THOUSANDS OF NET TONS

PREPARED ON DECEMBER 1977

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT ADMINISTRATION
DEPARTMENT OF COMMERCE

RC Mar 6, 80

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INDIANA'S ECONOMY

INDIANA DEPARTMENT OF COMMERCE
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
TAD PERRY, GROUP DIRECTOR

FEBRUARY 1980

(Includes Data Through November, 1979)

The purpose of this report is to provide a brief synopsis of Indiana's economy through November of 1979. The following sections of this analysis treat particular developments in the state's economy. Specifically, they deal with their description of economic activity: overall indicators, individual sectors of the economy and leading indicators.

Overall Indicators

The overall indicators of the state of the entire economy are: personal income, the unemployment rate and aggregate employment. When general economic activity increases or decreases, these simultaneously rise or fall. Thus, a brief summary of these indicators may serve as a point of departure for obtaining an overall view of Indiana's economy.

Personal income for the second quarter of 1979 stood at $45.5 billion. This amount represents a 1.34 percent increase over the first quarter of 1979 and an 11.26 percent increase since the second quarter of 1978. The national average gains for these same two periods were 2.2 percent and 12.1 percent respectively. The 1.24 percent increase in income represents the lowest percent increase recorded by the state for one quarter since 1975. Farm and manufacturing income were the areas where negative growth in income occurred, with -5.2 and -0.90 percent changes from the previous quarter. Income in the construction and mining areas showed increases of 6.4 and 2.6 percent respectively from the first quarter of 1979. The rate of increase in total personal income for Indiana was only 59 percent of the rate of the U.S. as a whole and ranked 40th out of the 50 states in percent growth.

The seasonally adjusted unemployment rate in Indiana has been above the U.S. average since June of 1979 and, as of November 1979, stands at 7.4 percent of the labor force. The U.S. unemployment rate is 5.8 percent of its labor force. The average unemployment rate for the year to date in Indiana is 6.20 percent, while the average for the U.S. is 5.81 percent. Indiana's rate is considered to be a leading indicator for the rest of the country and it can, therefore, be suspected that the national unemployment rate will continue to rise.

The November 1979 preliminary figure for aggregate employment of 2.43 million persons represents a decline of 12,300 from October 1979 and a 32,000 person decline in employment from November 1978. This one month decline in employment, coupled with a 2,200 person decline in the state's labor force, resulted in only a small increase in the unemployment rate. The national labor statistics took a similar turn. The number of persons employed in the U.S. fell by 215,000 individuals, from October 1979 to November 1979 but, at the same time, the number of persons in the labor force decreased by 220,000 people thereby causing a reduction in the unemployment rate nation wide.

Individual Sectors

In the manufacturing sector, employment decreased by 17,500 in November 1979 from October 1979. This 2.39 percent decline represents the largest single month decline in employment for the manufacturing sector since 1975. This decline brings the total manufacturing employment level to 714,300 people – a 38,300 person declined from November one year ago. The November 1979 employment level, coupled with the average work week in manufacturing for November, results in a 1.91 percent decline in manufacturing work input from October 1979 and a 7.44 percent decline in the total manufacturing work input from November 1978.

The greatest part of this decline in the manufacturing sector was experienced in the durable goods industry. The durable goods industry makes up approximately 75 percent of the whole manufacturing sector's employment. A decline in the durable goods industry is usually considered an indication of an oncoming economic slowdown. Employment in the durable goods sector of Indiana's economy has experienced a 5.63 percent decline from November 1978 to November 1979, which includes a 2.14 percent decline from October 1979 to November 1979. The average people hours per work week in durable goods has taken a similar downturn with a 2.93 percent decline from October 1979 to November 1979 and a 7.9 percent decline from November 1978.

The individual sectors within the durable goods industry that have experienced, from November 1978 to November 1979, the greatest changes in employment levels are: (1) the transportation industry which had a 22,600 person reduction in employment (21,300 of these layoffs have been in the auto parts sector); (2) the primary metals industry which had a 5,500 worker reduction; (3) the fabricated metals industry which had a drop of 2,600 employees; and (4) the electrical equipment for transportation industry which experienced a 2,100 employee decline. The sectors within the durable goods industry that showed some growth are: (1) the aircraft parts industry which had a 900 employee increase; and (2) the part of the electrical equipment industry that produces radios, televisions, telephone and electrical components which increased by 2,000 employees.

The construction sector employment fell by 2,600 people from October 1979 to November 1979 to reach a level of 119,800 persons employed. This decline, however, leaves the construction industry 9,200 people ahead of the November 1978 level. The 2.12 percent decline in employment from October to November 1979 coupled with a 2.19 percent increase in the average work week for construction workers leaves the total work input into contract construction in November 1979 equal to the October 1979 level, and 11.18 percent ahead of the November 1978 level. This annual increase in construction activity can be

attributed to the increase in expenditures for non-residential construction. Non-residential construction expenditures increased to nearly $109 million in the month of November to establish an all time record high for a single month. The November 1979 non-residential expenditure level represents a 6.1 percent increase from the previous record high reached in October 1979, and is 14.42 percent greater than the November 1978 level. This increase compares favorably to the national increase of only 0.6 percent for the same time span. Indiana's 11 month total for 1979 is $1032.3 million worth of non-residential construction, an increase of $50.9 million over the 11 month total of 1978. This increase in non-residential construction of 5.2 percent lags behind the 11 month national increase of 10.2 percent over the previous year.

The expenditure for residential construction experienced a decline of $6.02 million from October 1979 to the November 1979 level of $149.4 million dollars. The 3.88 percent decline in Indiana's residential construction expenditure, compares favorably with the 21 percent decline experienced nationally. The 11 month total for residential construction expenditures in Indiana was $1.48 billion which is 8.18 percent below the 11 month total for the previous year. The corresponding national increase was only 0.5 percent.

The November 1979 level of expenditures for the construction of public works and utility facilities continued its 12 month decline from its record high level in November 1978. The November 1979 level of $98.8 milllion is 17.9 percent below the October 1979 level and 70.73 percent below the November 1978 level. This continued decline is partially the result of the national moratorium placed on the construction of and the continued problems experienced by the Marble Hill nuclear power plant near Madison, Indiana.

The employment level in the wholesale and retail trade sector of Indiana's economy showed a 1,500 employee increase from October 1979 to November 1979 and was 3,700 people higher than the November 1978 level. The average work week for a wholesale and retail trade employee showed an increase of 0.3 percent in November 1979 from both the October 1979 and November 1979 levels. Combining these two factors results in an overall increase in work input of 0.6 percent from October 1979 and a 2.9 percent increase from November 1978. The total retail sales for November 1979 was $1,919 million, an increase of 4.92 percent from the October 1979 level and a 6.79 percent increase from the November 1978 level. Total retail sales in Indiana for the first 11 months of 1979 were $19.4 billion, a 9.9 percent increase over $17.7 billion total for the first 11 months of 1978.

The November 1979 employment figure of 110,300 for the transportation, communication and utilities (T.C.U.) industry showed a decline of 300 persons from the October 1979 level. This small decline coupled with a slight increase in the average work week for T.C.U. employees resulted in no real change in the total work input from October 1979 to November 1979. There was a 900 employee increase in the

T.C.U. employee level from November 1978 to November. This increase in employment coupled with a slight decline in the average work week per employee from November 1978 to November 1979 resulted in a 0.1 percent increase in the total work input into this sector of the economy.

The employment level in the finance, insurance and real estate (F.I.R.E.) sector for November 1979 was unchanged from the revised October 1979 level of 100,500. A slight decrease in the average work week per employee in November 1979 yielded a decline of 1.6 percent in the total work input in the F.I.R.E. sector. The November 1979 employment level was 4.8 percent higher than the employment level in November 1978, a work input increase of 2.0 percent was experenced over the year.

The mining sector of Indiana's economy showed a 200 person decline in employment from October 1979 to November 1979 to reach the level of 10,000 employees. This is 7.53 percent higher than the level reached in November 1978. A one month decline of 2.21 percent in the average work week resulted in a total work input decline of 4.34 percent from October 1979 to November 1979. However, there was a 6.33 percent increase from November one year ago.

The services industry showed an increase of 300 people to reach an employment level of 330,200. This increase coupled with the slight decline in the average work week resulted in a net change of -0.22 percent in the total work input for the service industry. The service industry's current level of employment, and the change in the average work week, resulted in a 6.21 percent increase in the work input level over November one year ago.

The government work force increased by 3,400 people from October 1979 to November 1979 to reach a level of 370,300 people. The current level represents a 1.84 percent increase from November one year ago. Government employment is not considered an hourly work force so there are no figures to establish an average work week.

The first 11 months of 1979 showed the Hoosier farmer receiving only 95.82 cents for every dollar paid out for agricultural expenditures. This amoung is below the 1978 11 month average of 98.69 cents received per dollar paid out. The November 1979 level of 86 cents received per dollar spent is the lowest one month average experienced since 1976. The average employment level in the farming sector for 1979 was 101,250 persons 7.1 percent below the average for 1978. The final quarter of 1979 showed employment averaging 107,000 people, 2.72 percent below the 1978 fourth quarter level. Seventy-eight percent of all farm employees were members of the farmers family. This is an increase from the 75.2 percent average level experienced for 1978. The number of hired workers that the farming industry employed fell from a 1978 average per quarter of 27,000 to 22,250 in 1979, a 21.35 percent decline.

Leading Indicators

There are four factors which reach business cycle peaks and troughs ahead of general economic activity. These indicators (average work week in manufacturing, layoff rate in manufacturing, housing starts and non-agricultural placements) are important because they function as leading indicators and allow inference about future economic conditions.

The average work week in manufacturing for the first 11 months of 1979 was 40.53 hours. This compares with the average for the first 11 months of 1978's level of 41.1 hours. This information would tend to suggest that manufactures have eliminated most of their overtime workers and now have altered employment levels to adjust for changes in the demand of their product.

The manufacturing layoff rate for November 1979 was 28 per 1000 workers employed, compared to 15 per 1000 in the U.S. November had the highest layoff rate for one month experienced since 1975. The most significantly affected areas where layoffs occured have been in the durable goods sector. The largest layoff rates were in lumber and wood products, autos and parts and electrical equipment for autos and aircraft.

There were 2,153 new housing starts in November 1979. This brings the 11 month total of new housing up to 32,707 units. This 11 month total is 19.1 percent below the total for the first 11 months of last year, 42,538 new housing starts. The November 1979 level was 35.7 percent below the November 1978 level of 3,350 units started.

Non-agricultural placements (individual) fell from the October 1979 level of 8,610 to 5,070 in November 1979. The average monthly totals for the first 11 months of 1979, 1978 and 1977 were 8,589, 10,482 and 9,691 respectively. This change throughout the years tends to indicate that the 1979 individual is having a harder time obtaining employment than their cohorts of the two previous years. The continous unemployment figure of 566,000 persons (this figure represents the number of unemployment claim filed for two or more weeks in sequence by an individual) was 80.8 percent higher in the third quarter 1979 than in the third quarter 1978, and 69.4 percent higher than in 1977's third quarter. This higher number claims tend to show a slump in the job market as revealed by the fact that those persons who are unemployed are staying unemployed longer.

As this summary alluded to earlier, the manufacturing sector of Indiana's economy is dominating the state's growth patterns. Manufacturing production fell in November 1979 from the October 1979 level by 1.51 percent, and was below the November 1978 level by 1.58 percent. This decline in the production of the manufacturing sector was also reflected by a 4.3 percent decline in the sales of electricity to the manu-

facturing sector from October 1979 to November 1979 and a 5.54 percent decline from November 1978. The production of manufactured goods is vital to the growth of Indiana's economy insomuch that, in November 1979, 29.4 percent of all working people in the state were employed in the manufacturing sector and 76 percent of those people were employed in the durable goods industry. Therefore, a decline in the manufacturing production level is generally an indication of an economic slowdown for the state.

One of Indiana's major export products is steel. Raw steel production decreased 3.15 percent from October 1979 to November 1979 and showed a 4.5 percent reduction in the sales for the first 11 months of 1979, compared to the same time period for 1978. The steel industry for 1979 had two record production months, March and May, and one that marked a 32 month record low, September. These varied production levels have caused the employment levels within the industry to vary throughout the year.

Conclusion

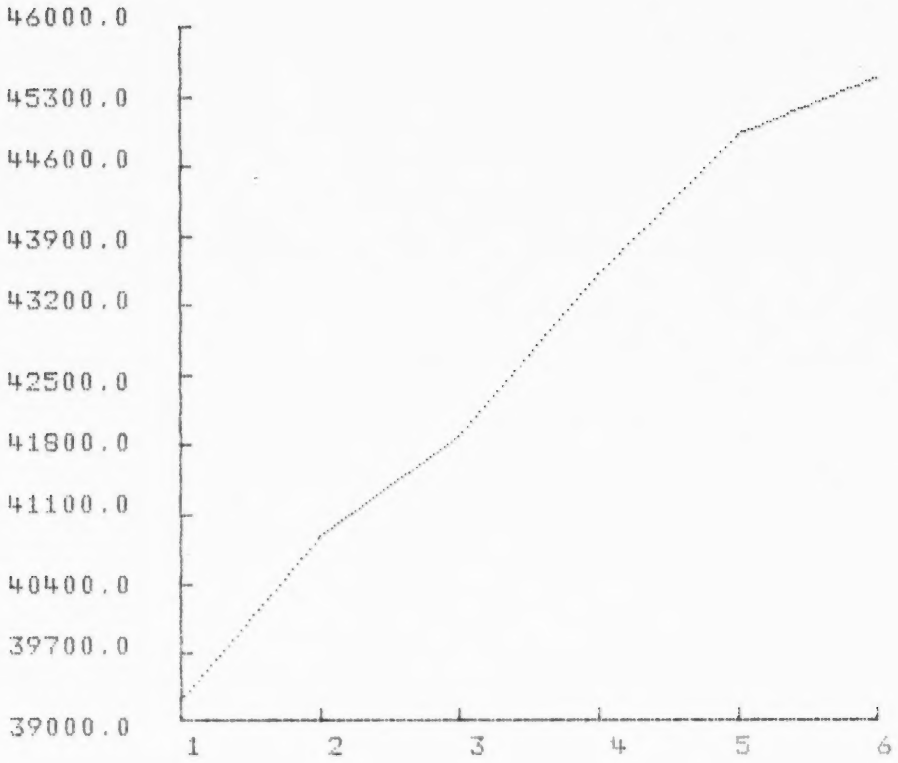
Indiana's generally diversified economy has helped to maintain its strength through general economic declines. But, the state still has a strong dependence on the durable good sector of its economy and a major interest in the automotive industry. The portion of Indiana's employment that can be directly attributed to the automotive industry has been declining due to the current layoffs within the industry. The problem is that a fluctuation in the demand for automotive goods creates a fluctuation in the employment level of the manufacturing sector of the state's economy. In November 1979, Indiana had 29.44 percent of its work force employed in the manufacturing sector. Furtherbreak down shows that 22.29 percent of the state work force was involved in the production of durable goods sector and 4.56 percent of the total were directly related to the transportation industry. These figures all represent a decline from the November 1978 level of 30.51 percent working in the manufacturing, 23.53 percent working in the durable goods industry and 5.49 percent involved in the production of automotive goods. On the surface these changes would seem to reveal a shift in Indiana's economy away from the manufacturing intensity of the past. But, a closer look reveals that these changes are not the result of a shift in the economic mix of the state, but they occured because the durable goods industry generally, and automotive specifically is the most susceptible to changes in demand that one experienced during the beginning of a recessionary cycle. Nearly all of the decline in the employment of the state can be related to the slowdown experienced in the manufacturing sector of the state's economy.

November 1979 showed a 32,000 person decline in aggregate employment from November 1978. The 32,000 person figures does not adequately reveal a 38,300 person loss of employment in the manufacturing sector, of which 37,100 were in the durable goods industry. The increases in employment levels of other

areas of Indiana's economy non-manufacturing particurally offset the decline in employment experienced by the manufacturing sector.

DATA

The following section is composed of data graphs for the indicators discussed in the narrative. Most of the data is from November 1978 through November 1979, but a few are for October 1978 through October 1979 and two are quarterly.



PERSONAL INCOME

	QUARTER		DATA VALUE*
1	FIRST	1978	39270
2	SECOND		40645
3	THIRD		42145
4	FOURTH		43389
5	FIRST	1979	44344
6	SECOND		45445

* MILLIONS OF DOLLARS

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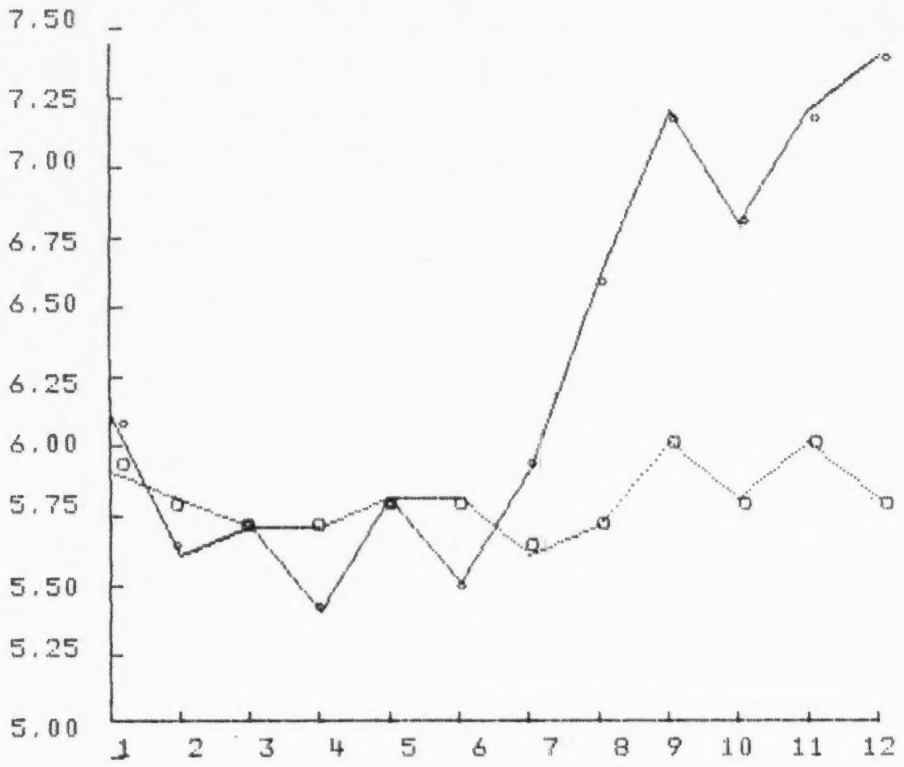

UNEMPLOYMENT RATES (SEASONALY ADJUSTED)

	MONTH	DATA VALUE∘	DATA VALUEo
1	DECEMBER	6.1	5.9
2	JANUARY	5.6	5.8
3	FEBUARY	5.7	5.7
4	MARCH	5.4	5.7
5	APRIL	5.8	5.8
6	MAY	5.5	5.8
7	JUNE	5.9	5.6
8	JULY	6.6	5.7
9	AUGUST	7.2	6.0
10	SEPTEMBER	6.8	5.8
11	OCTOBER	7.2	6.0
12	NOVEMBER	7.4	5.8

∘ INDIANA'S SEASONALY ADJUSTED UNEMPLOYMENT RATE
o UNITED STATES' SEASONALY ADJUSTED UNEMPLOYMENT RATE

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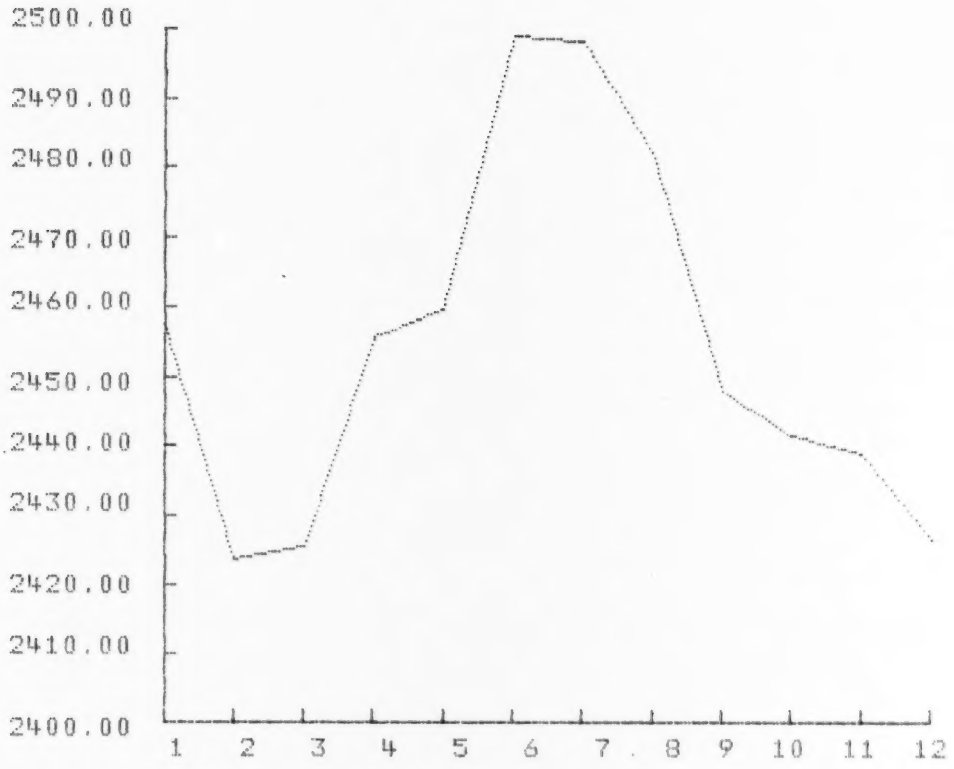

AGGREGATE EMPLOYMENT

	MONTH	DATA VALUE*
1	DECEMBER	2457.2
2	JANUARY	2423.4
3	FEBUARY	2425.2
4	MARCH	2455.3
5	APRIL	2459.4
6	MAY	2498.9
7	JUNE	2498.2
8	JULY	2482.0
9	AUGUST	2447.7
10	SEPTEMBER	2441.4
11	OCTOBER	2438.8
12	NOVEMBER	2426.5

* THOUSANDS OF EMPLOYED

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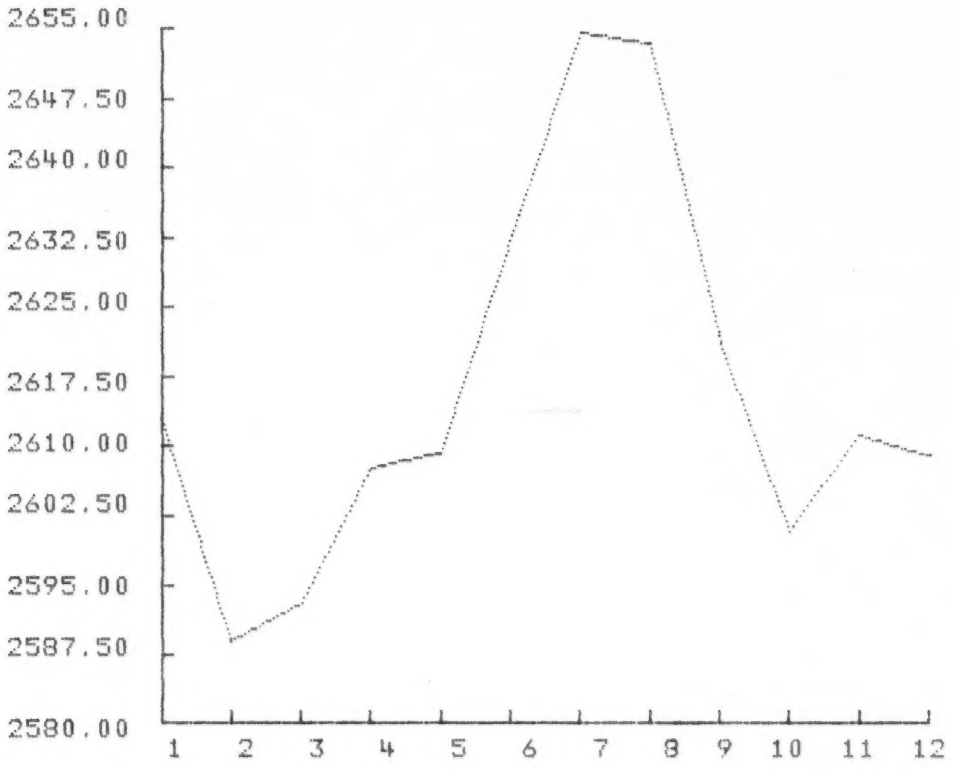

CIVILIAN LABOR FORCE

	MONTH	DATA VALUE*
1	DECEMBER	2612.6
2	JANUARY	2588.8
3	FEBUARY	2592.8
4	MARCH	2607.5
5	APRIL	2609.1
6	MAY	2632.4
7	JUNE	2654.5
8	JULY	2653.4
9	AUGUST	2620.8
10	SEPTEMBER	2600.6
11	OCTOBER	2610.9
12	NOVEMBER	2608.7

* THOUSANDS OF PEOPLE

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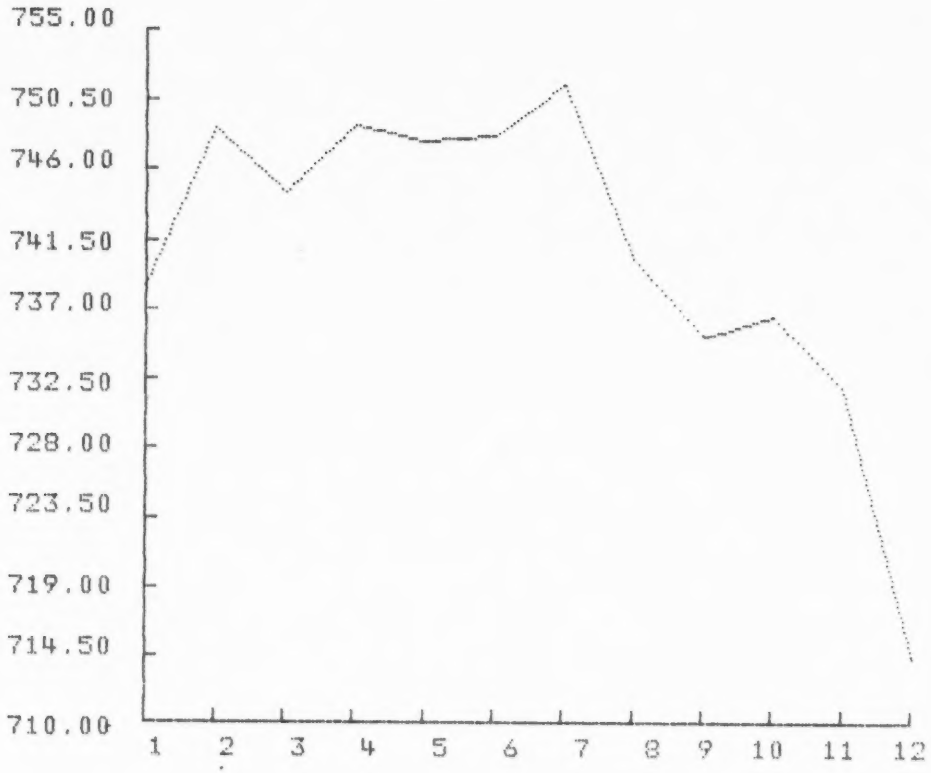

MANUFACTURING EMPLOYMENT

	MONTH	DATA VALUE*
1	DECEMBER	738.4
2	JANUARY	748.5
3	FEBUARY	744.4
4	MARCH	748.8
5	APRIL	747.7
6	MAY	748.0
7	JUNE	751.3
8	JULY	740.2
9	AUGUST	735.2
10	SEPTEMBER	736.4
11	OCTOBER	731.8
12	NOVEMBER	714.3

* THOUSANDS OF EMPLOYED

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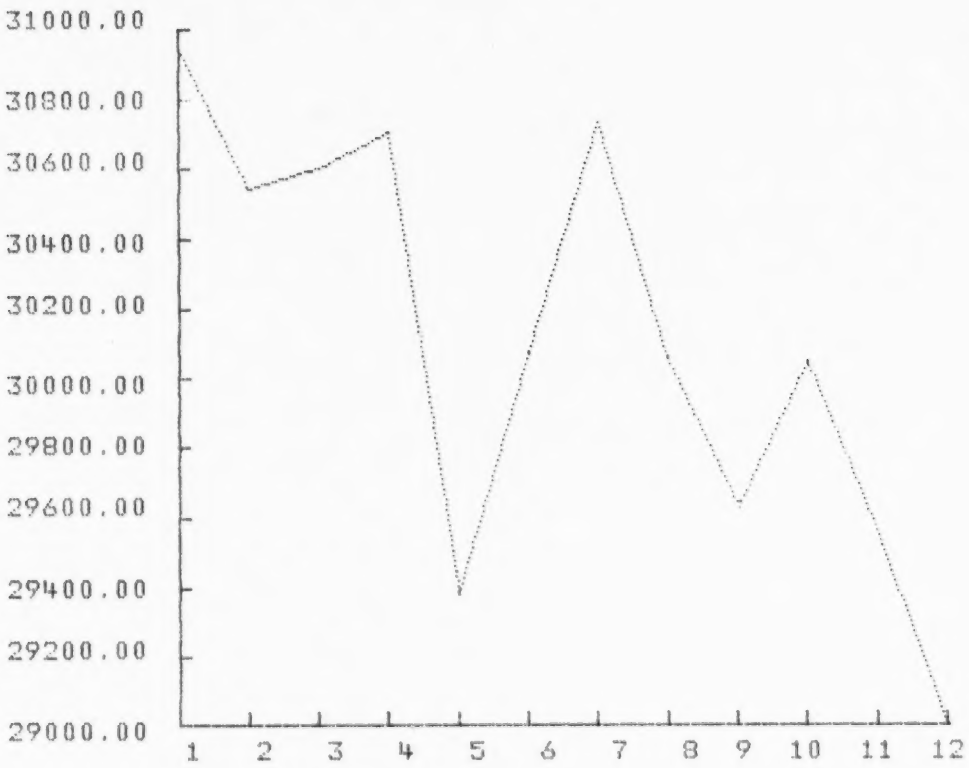

AVERAGE PEOPLE HOURS PER WORK WEEK
IN MANUFACTURING

	MONTH	DATA VALUE*
1	DECEMBER	30939.0
2	JANUARY	30538.8
3	FEBUARY	30594.8
4	MARCH	30700.8
5	APRIL	29384.6
6	MAY	30069.6
7	JUNE	30728.2
8	JULY	30052.1
9	AUGUST	29628.6
10	SEPTEMBER	30045.1
11	OCTOBER	29564.7
12	NOVEMBER	29000.6

* THOUSANDS OF HOURS

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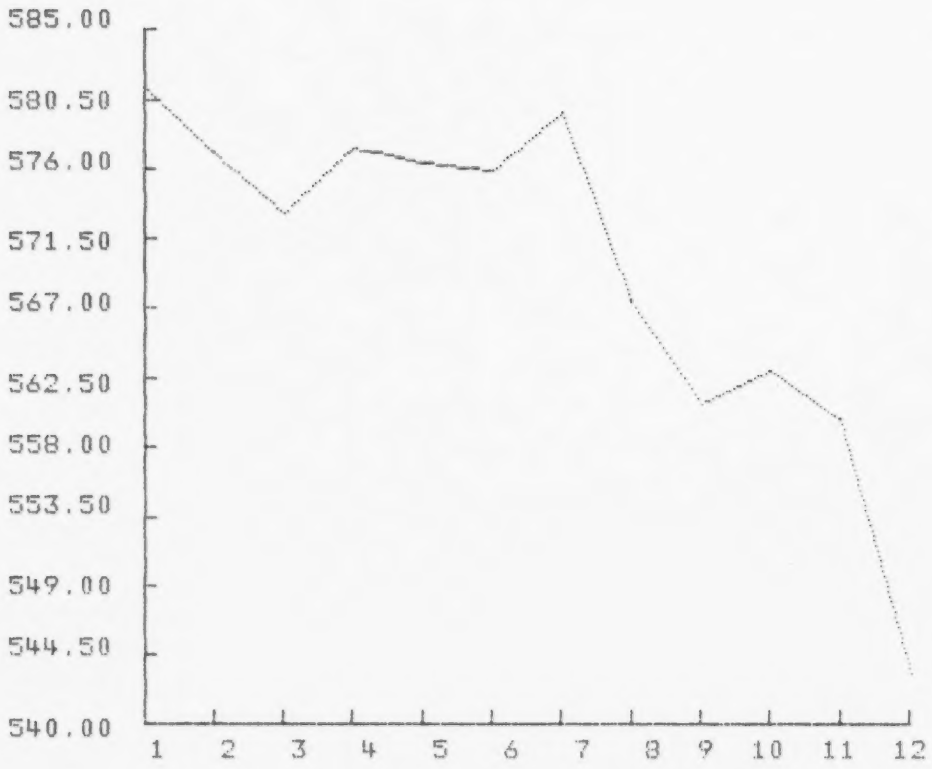

MANUFACTURING OF DURABLE GOODS EMPLOYMENT

	MONTH	DATA VALUE*
1	DECEMBER	581.2
2	JANUARY	577.0
3	FEBUARY	573.0
4	MARCH	577.3
5	APRIL	576.3
6	MAY	575.7
7	JUNE	579.6
8	JULY	567.3
9	AUGUST	560.7
10	SEPTEMBER	562.9
11	OCTOBER	559.7
12	NOVEMBER	543.3

* THOUSANDS OF EMPLOYEES

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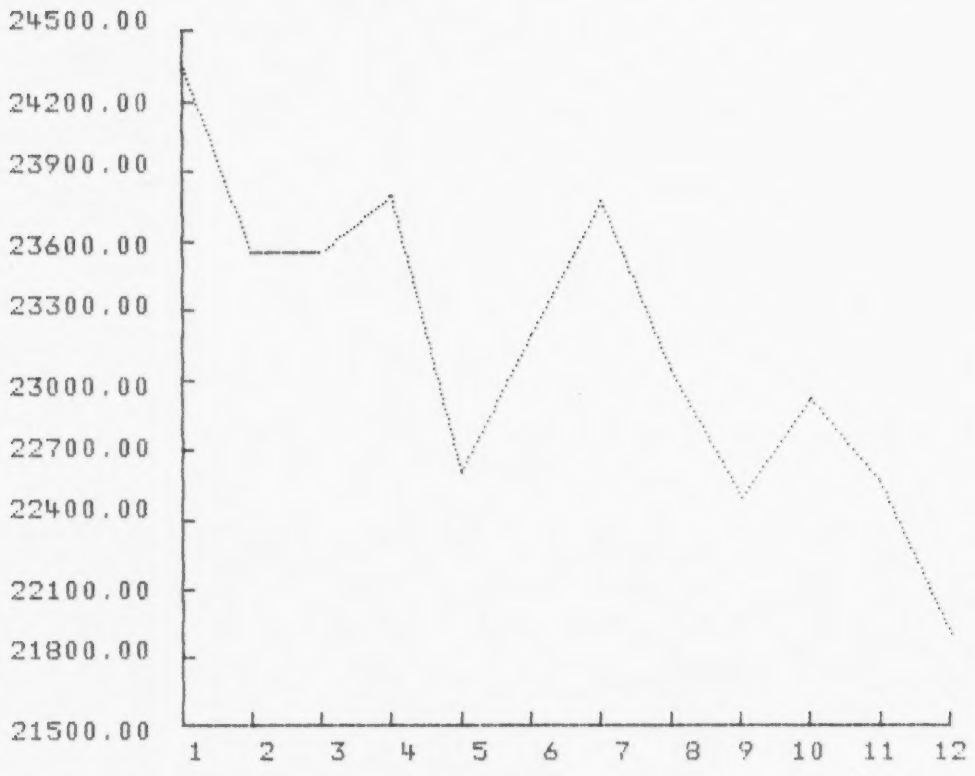

AVERAGE PEOPLE HOURS PER WORK WEEK IN DURABLE GOODS MANUFACTURING

	MONTH	DATA VALUE*
1	DECEMBER	24352.3
2	JANUARY	23541.6
3	FEBUARY	23550.3
4	MARCH	23784.8
5	APRIL	22591.0
6	MAY	23200.7
7	JUNE	23763.6
8	JULY	23032.4
9	AUGUST	22484.1
10	SEPTEMBER	22910.0
11	OCTOBER	22555.9
12	NOVEMBER	21895.0

* THOUSANDS OF HOURS

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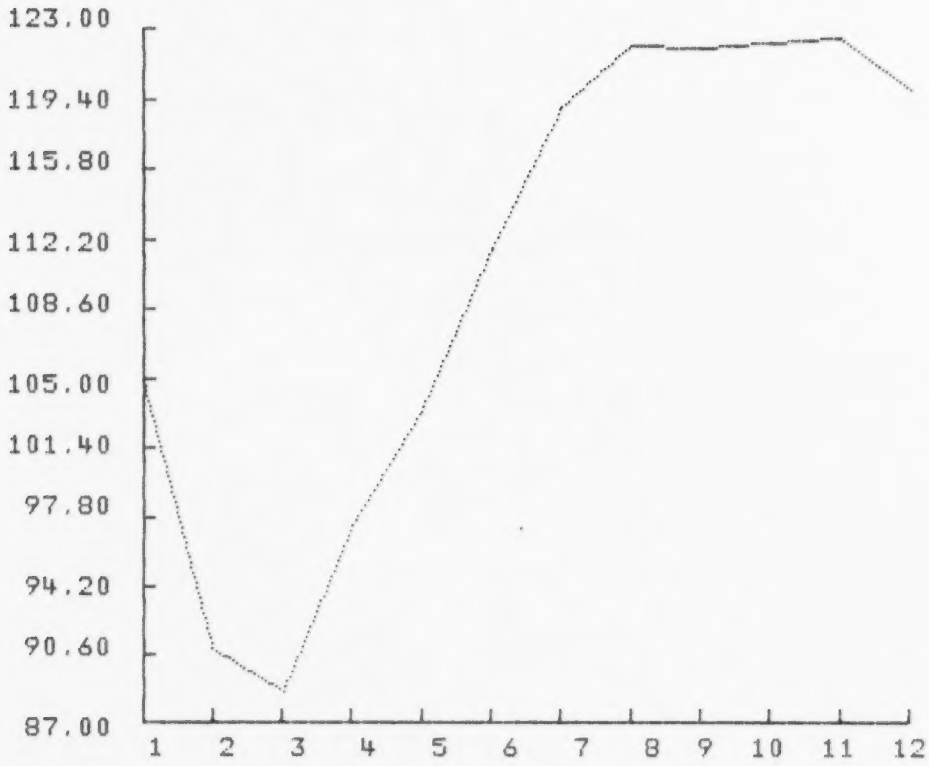

CONSTRUCTION EMPLOYMENT

	MONTH	DATA VALUE*
1	DECEMBER	104.8
2	JANUARY	90.8
3	FEBUARY	88.6
4	MARCH	97.3
5	APRIL	103.2
6	MAY	111.7
7	JUNE	118.9
8	JULY	122.1
9	AUGUST	121.9
10	SEPTEMBER	122.2
11	OCTOBER	122.4
12	NOVEMBER	119.8

* THOUSANDS OF EMPLOYED

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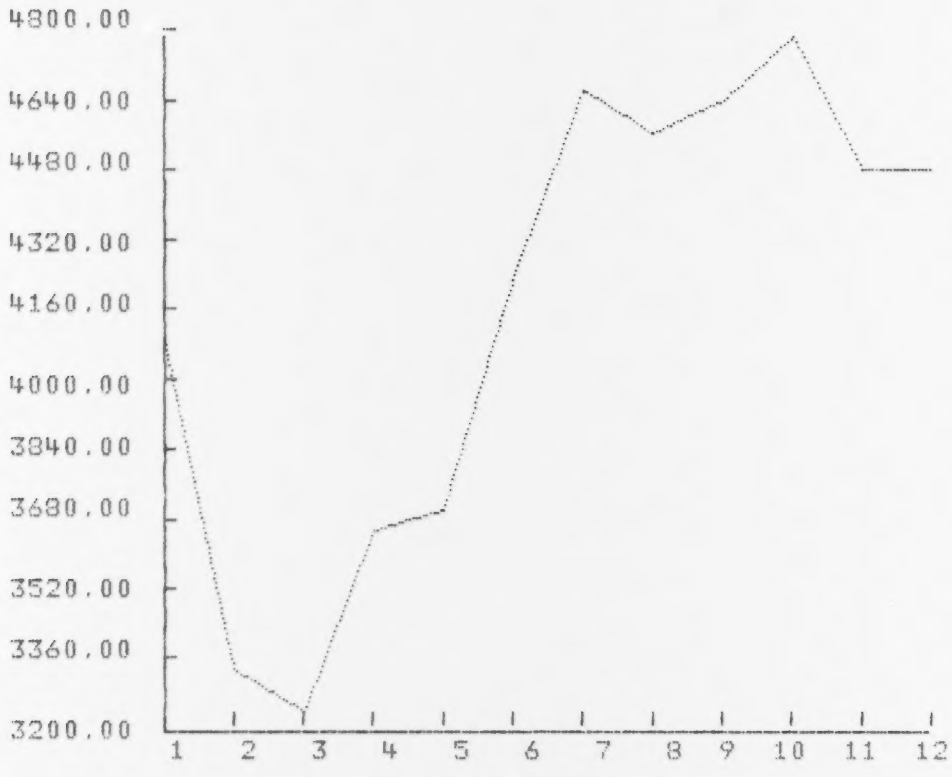

AVERAGE PEOPLE HOURS PER WORK WEEK IN CONSTRUCTION

	MONTH	DATA VALUE*
1	DECEMBER	4087.2
2	JANUARY	3332.3
3	FEBUARY	3233.9
4	MARCH	3678.8
5	APRIL	3694.6
6	MAY	4233.4
7	JUNE	4660.9
8	JULY	4558.1
9	AUGUST	4632.2
10	SEPTEMBER	4778.0
11	OCTOBER	4479.8
12	NOVEMBER	4480.5

* THOUSANDS OF HOURS

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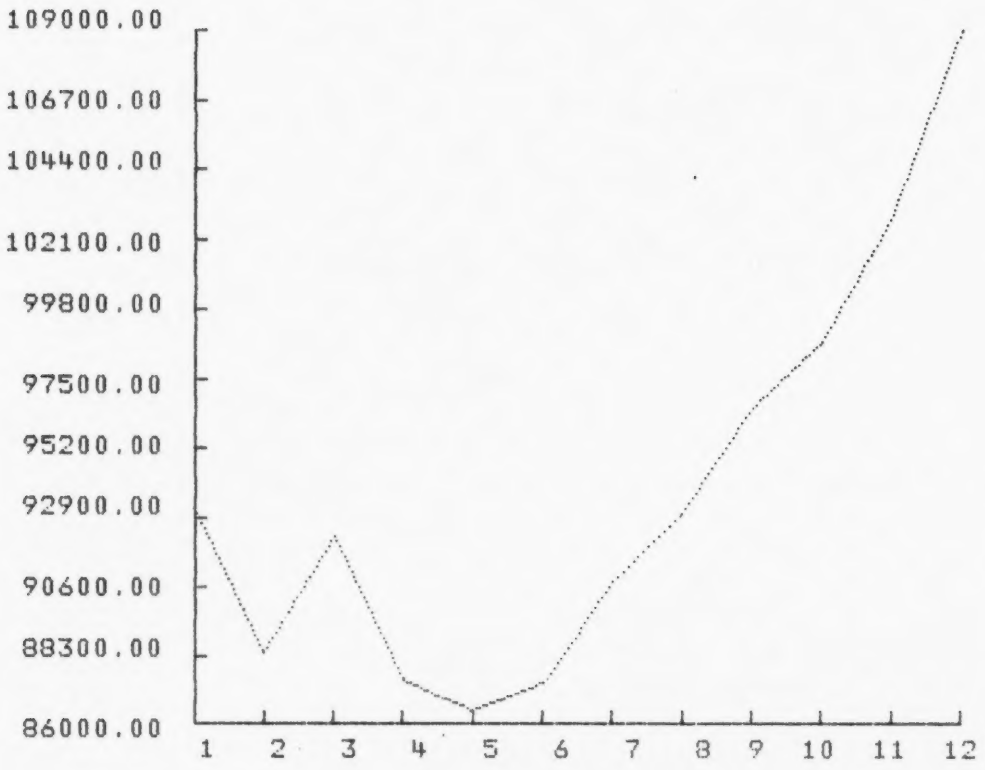

NON-RESIDENTIAL EXPENDITURES

	MONTH	DATA VALUE*
1	DECEMBER	93184.8
2	JANUARY	88383.1
3	FEBUARY	92186.6
4	MARCH	87420.2
5	APRIL	86461.4
6	MAY	87379.1
7	JUNE	90682.4
8	JULY	92971.4
9	AUGUST	96470.3
10	SEPTEMBER	98664.8
11	OCTOBER	102707.5
12	NOVEMBER	108969.7

* THOUSANDS OF DOLLARS

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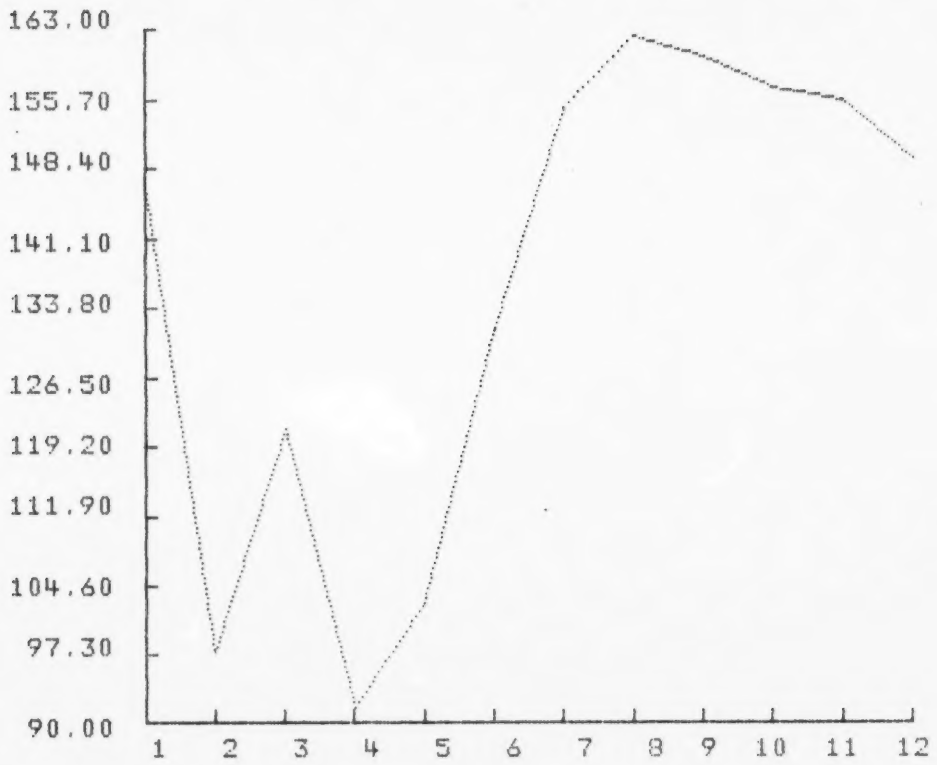

RESIDENTIAL EXPENDITURES

	MONTH	DATA VALUE*
1	DECEMBER	146.8
2	JANUARY	97.6
3	FEBUARY	120.8
4	MARCH	91.7
5	APRIL	102.5
6	MAY	131.5
7	JUNE	154.8
8	JULY	162.2
9	AUGUST	160.0
10	SEPTEMBER	156.7
11	OCTOBER	155.5
12	NOVEMBER	149.4

* MILLIONS OF DOLLARS

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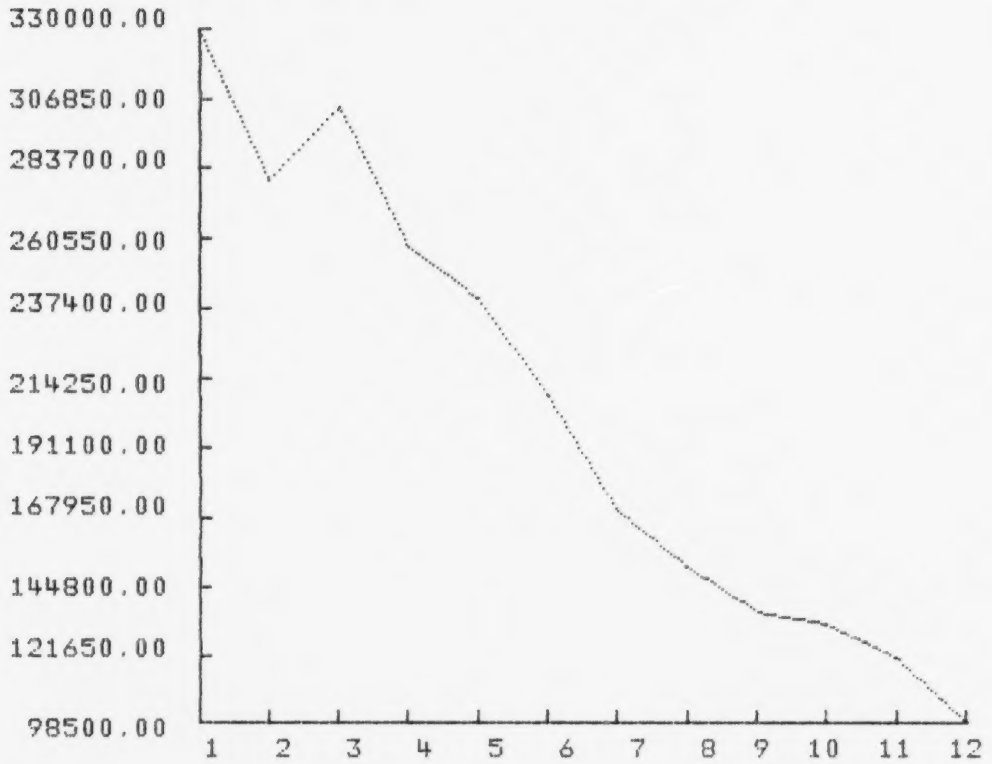
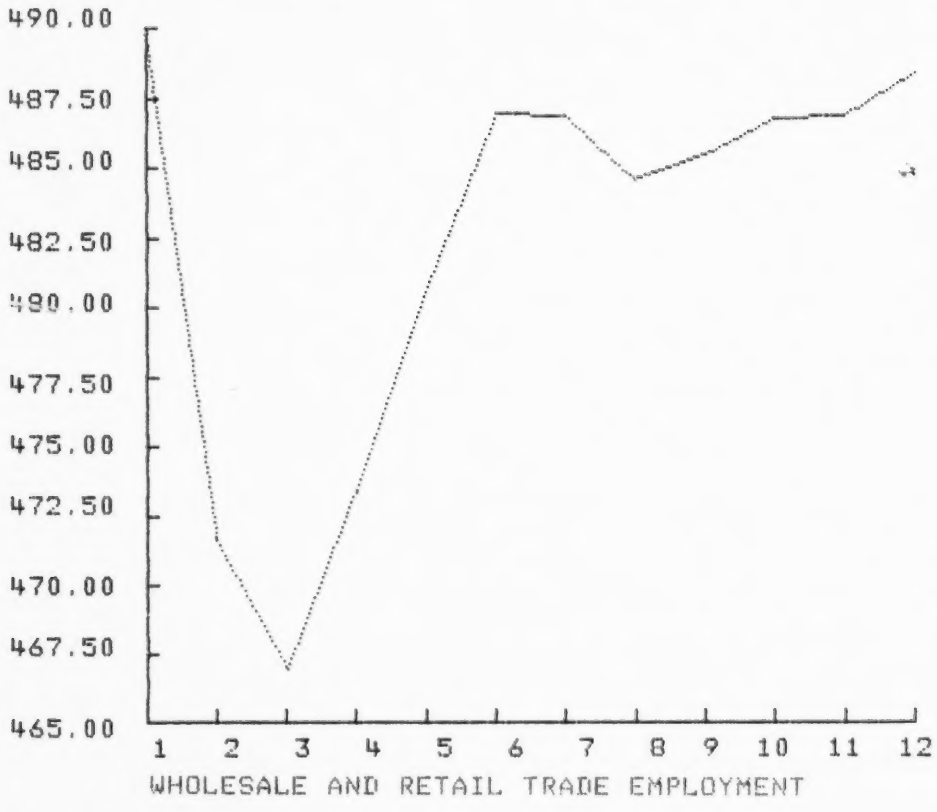


CONSTRUCTION OF PUBLIC WORKS AND UTILITIES EMPLOYMENT

	MONTH	DATA VALUE*
1	DECEMBER	329020.4
2	JANUARY	278895.0
3	FEBUARY	303407.0
4	MARCH	257635.0
5	APRIL	240437.4
6	MAY	207178.0
7	JUNE	169373.0
8	JULY	150997.0
9	AUGUST	135466.9
10	SEPTEMBER	131436.1
11	OCTOBER	120315.0
12	NOVEMBER	98753.7

* THOUSANDS OF DOLLARS

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



	MONTH	DATA VALUE*
1	DECEMBER	489.7
2	JANUARY	471.6
3	FEBUARY	466.9
4	MARCH	473.4
5	APRIL	480.5
6	MAY	486.9
7	JUNE	486.8
8	JULY	484.5
9	AUGUST	485.4
10	SEPTEMBER	486.7
11	OCTOBER	486.8
12	NOVEMBER	488.3

* THOUSANDS OF EMPLOYED

ECONOMIC RESEARCH DIVISION
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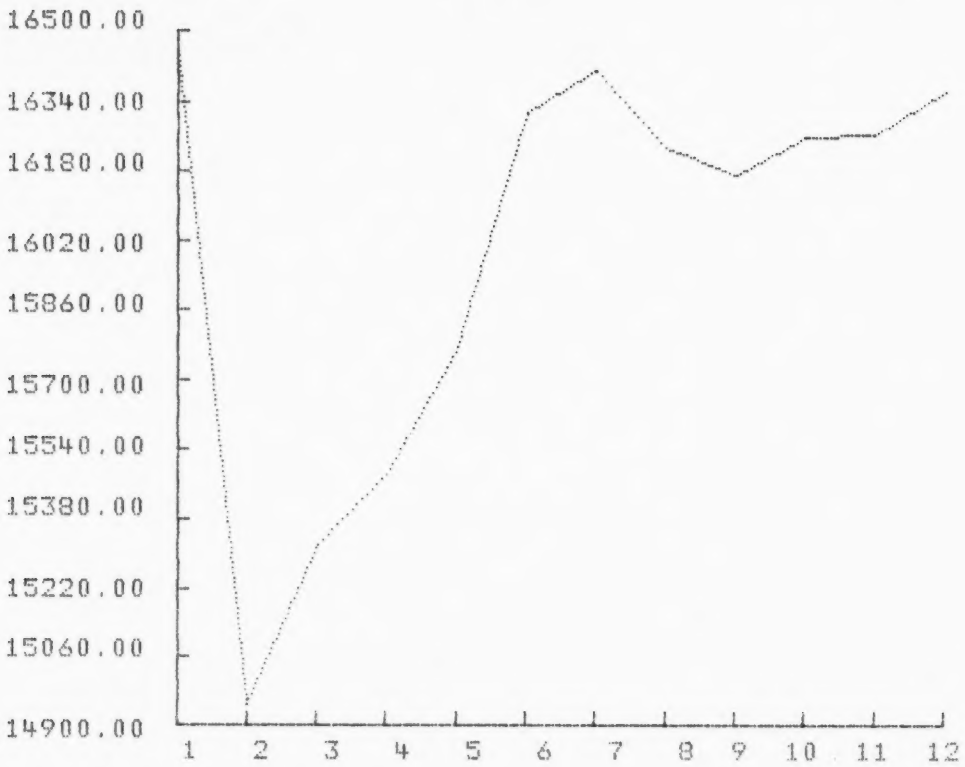
INDIANA DEPARTMENT OF COMMERCE

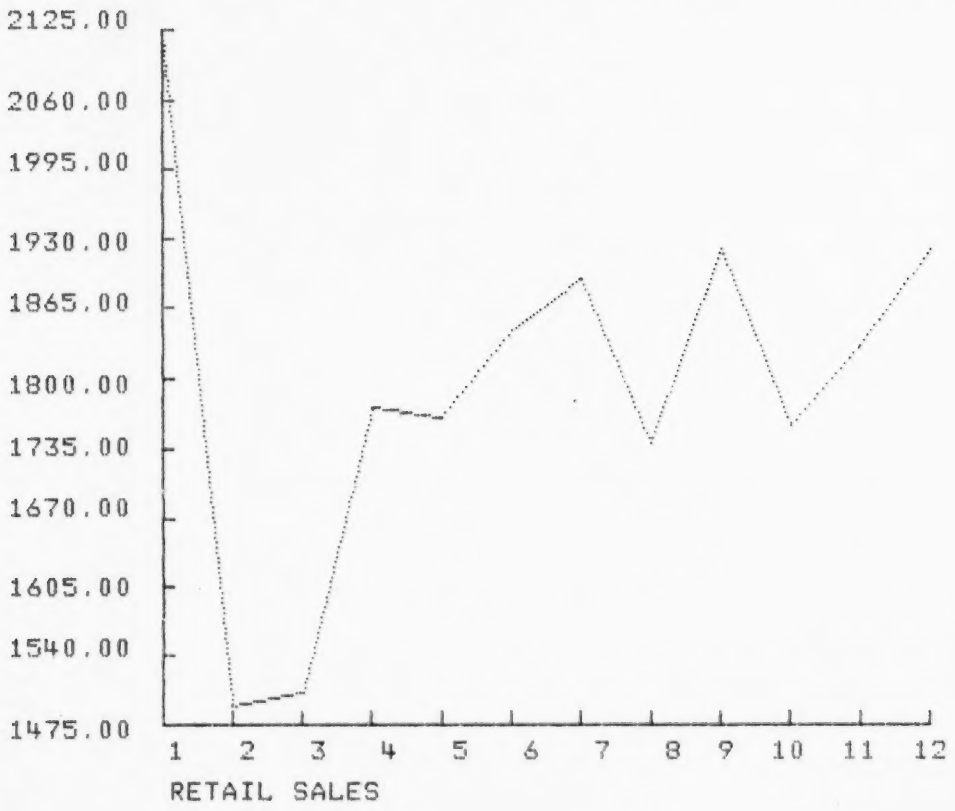


AVERAGE WORK WEEK IN WHOLESALE AND RETAIL TRADE

	MONTH	DATA VALUE*
1	DECEMBER	16453.9
2	JANUARY	14949.7
3	FEBUARY	15314.3
4	MARCH	15480.2
5	APRIL	15760.4
6	MAY	16311.2
7	JUNE	16405.2
8	JULY	16230.8
9	AUGUST	16163.8
10	SEPTEMBER	16255.8
11	OCTOBER	16259.1
12	NOVEMBER	16358.1

* THOUSANDS OF HOURS

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



	MONTH	DATA VALUE*
1	DECEMBER	2119.0
2	JANUARY	1493.0
3	FEBUARY	1504.0
4	MARCH	1771.0
5	APRIL	1763.0
6	MAY	1843.0
7	JUNE	1891.0
8	JULY	1738.0
9	AUGUST	1919.0
10	SEPTEMBER	1755.0
11	OCTOBER	1829.0
12	NOVEMBER	1919.0

* MILLIONS OF DOLLARS

ECONOMIC RESEARCH DIVISION
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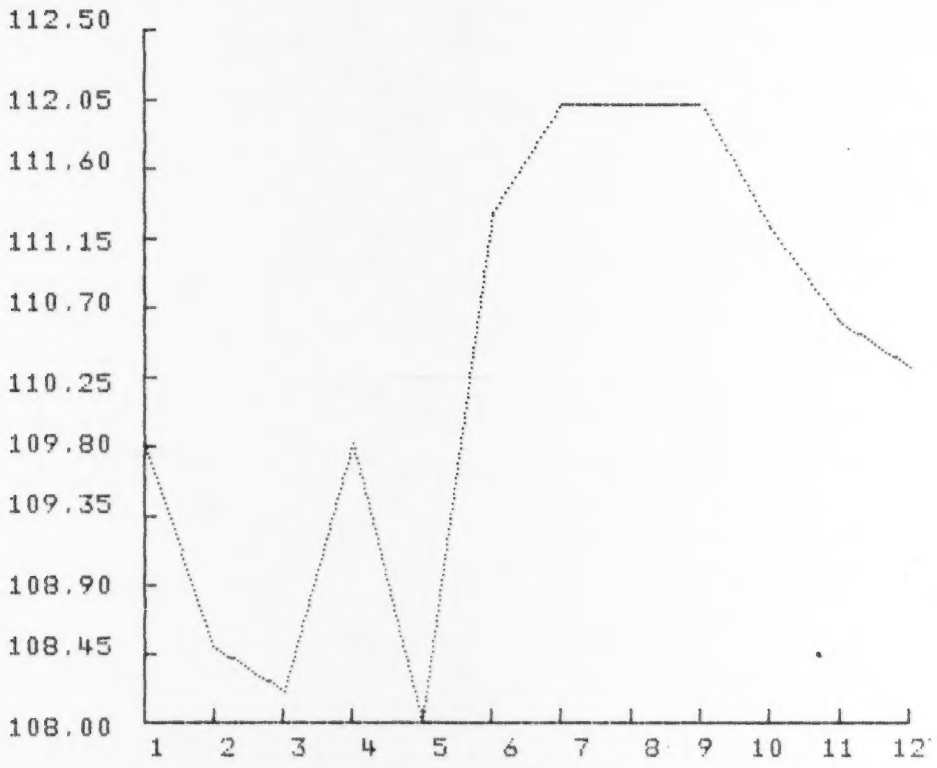
INDIANA DEPARTMENT OF COMMERCE

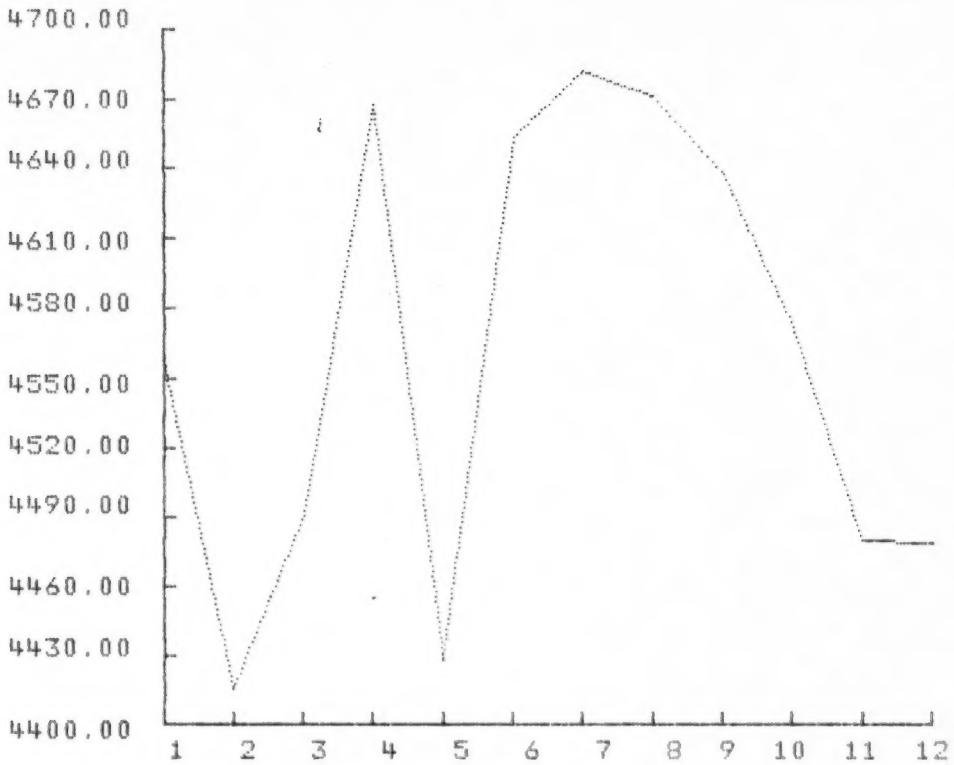


TRANSPORTATION, COMMUNICATION AND UTILITIES EMPLOYMENT

	MONTH	DATA VALUE*
1	DECEMBER	109.8
2	JANUARY	108.5
3	FEBUARY	108.2
4	MARCH	109.8
5	APRIL	108.0
6	MAY	111.3
7	JUNE	112.0
8	JULY	112.0
9	AUGUST	112.0
10	SEPTEMBER	111.2
11	OCTOBER	110.6
12	NOVEMBER	110.3

* THOUSANDS OF EMPLOYED

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE

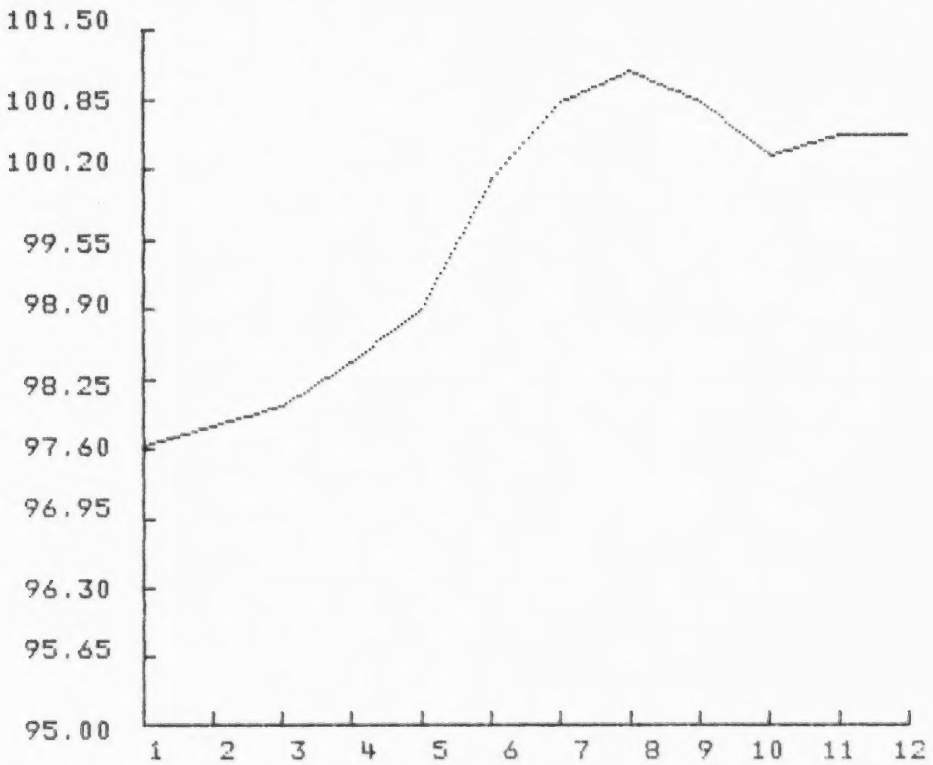


AVERAGE PEOPLE HOURS PER WORK WEEK IN T.C.U.

	MONTH	DATA VALUE*
1	DECEMBER	4556.7
2	JANUARY	4416.0
3	FEBUARY	4490.3
4	MARCH	4666.5
5	APRIL	4428.0
6	MAY	4652.3
7	JUNE	4681.6
8	JULY	4670.4
9	AUGUST	4636.8
10	SEPTEMBER	4570.3
11	OCTOBER	4479.3
12	NOVEMBER	4478.2

THOUSANDS OF HOURS

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE

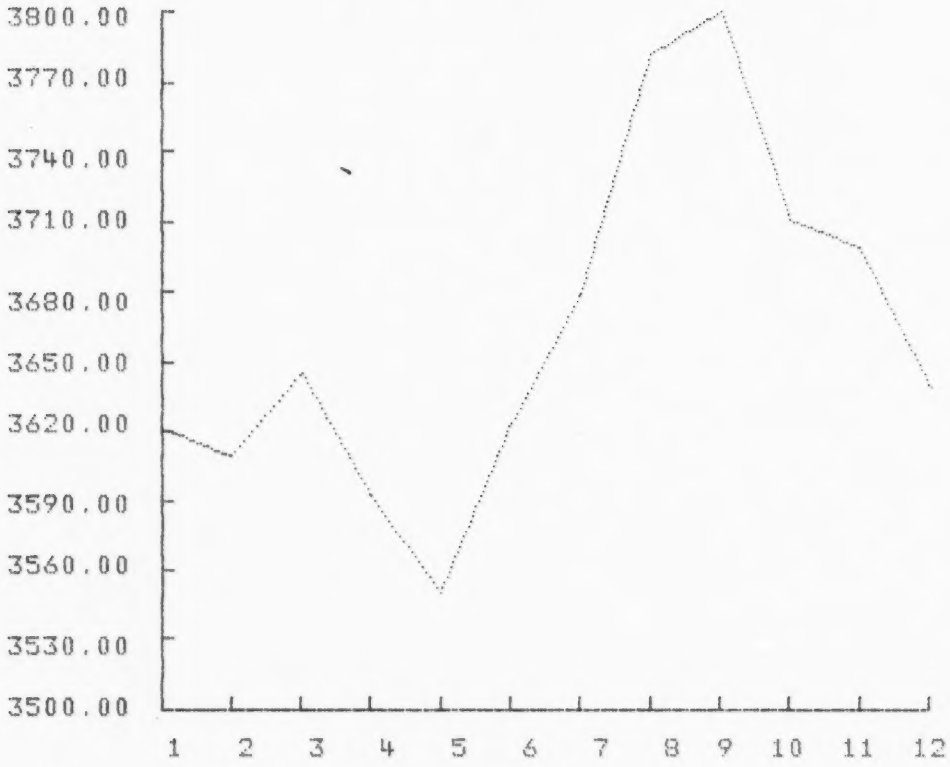


FINANCE, INSURANCE AND REAL ESTATE EMPLOYMENT

	MONTH	DATA VALUE*
1	DECEMBER	97.6
2	JANUARY	97.8
3	FEBUARY	98.0
4	MARCH	98.4
5	APRIL	98.9
6	MAY	100.1
7	JUNE	100.8
8	JULY	101.1
9	AUGUST	100.8
10	SEPTEMBER	100.3
11	OCTOBER	100.5
12	NOVEMBER	100.5

* THOUSANDS OF EMPLOYED

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



AVERAGE WORK WEEK IN FIRE

	MONTH	DATA VALUE*
1	DECEMBER	3621.0
2	JANUARY	3608.8
3	FEBUARY	3645.6
4	MARCH	3591.6
5	APRIL	3550.5
6	MAY	3623.6
7	JUNE	3679.2
8	JULY	3781.1
9	AUGUST	3800.2
10	SEPTEMBER	3711.1
11	OCTOBER	3698.4
12	NOVEMBER	3638.1

* THOUSANDS OF HOURS

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
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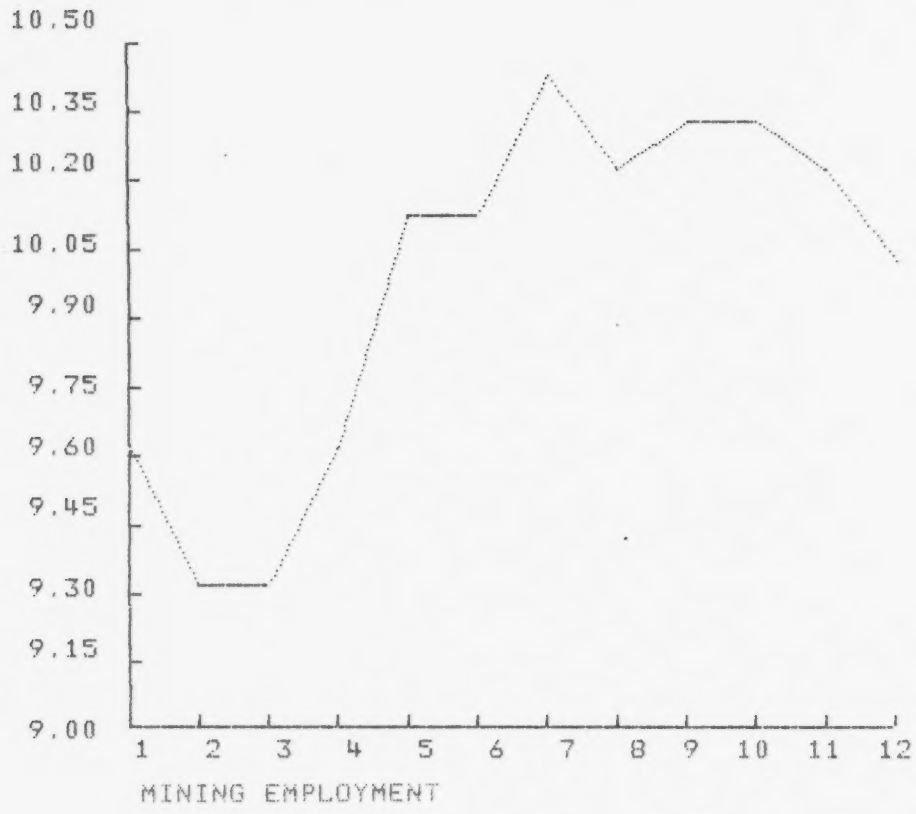

	MONTH	DATA VALUE*
1	DECEMBER	9.6
2	JANUARY	9.3
3	FEBUARY	9.3
4	MARCH	9.6
5	APRIL	10.1
6	MAY	10.1
7	JUNE	10.4
8	JULY	10.2
9	AUGUST	10.3
10	SEPTEMBER	10.3
11	OCTOBER	10.2
12	NOVEMBER	10.0

* THOUSANDS OF EMPLOYED

ECONOMIC RESEARCH DIVISION
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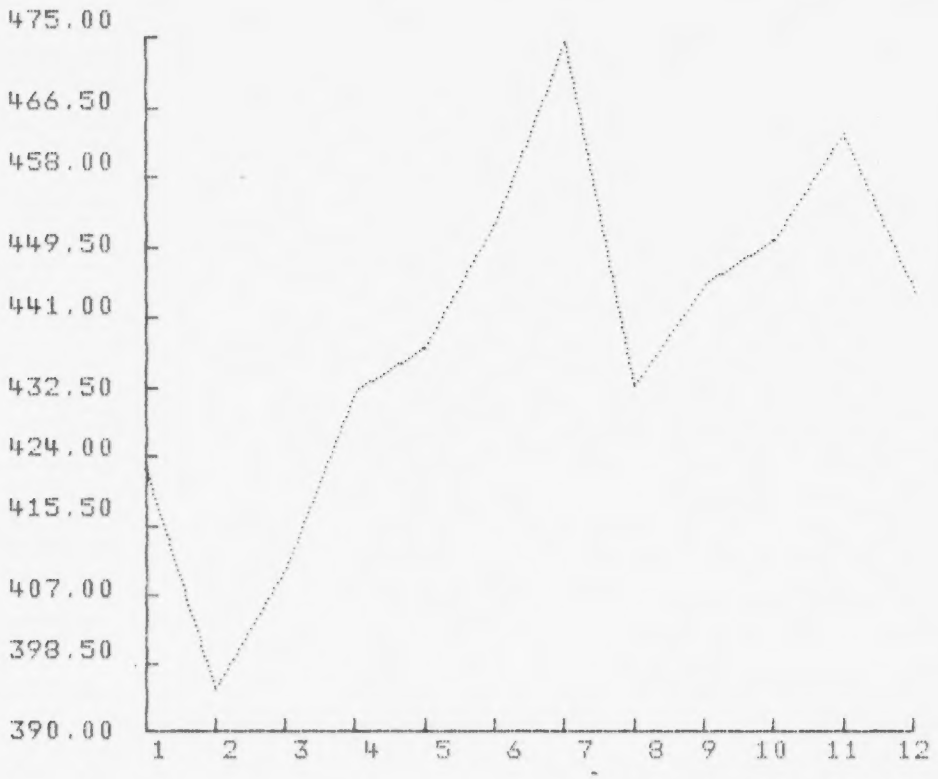
INDIANA DEPARTMENT OF COMMERCE



AVERAGE PEOPLE HOURS PER WORK WEEK IN MINING

	MONTH	DATA VALUE*
1	DECEMBER	421.4
2	JANUARY	394.3
3	FEBUARY	409.2
4	MARCH	431.0
5	APRIL	436.3
6	MAY	451.5
7	JUNE	473.5
8	JULY	431.5
9	AUGUST	443.9
10	SEPTEMBER	449.1
11	OCTOBER	462.1
12	NOVEMBER	443.0

* THOUSANDS OF HOURS

ECONOMIC RESEARCH DIVISION
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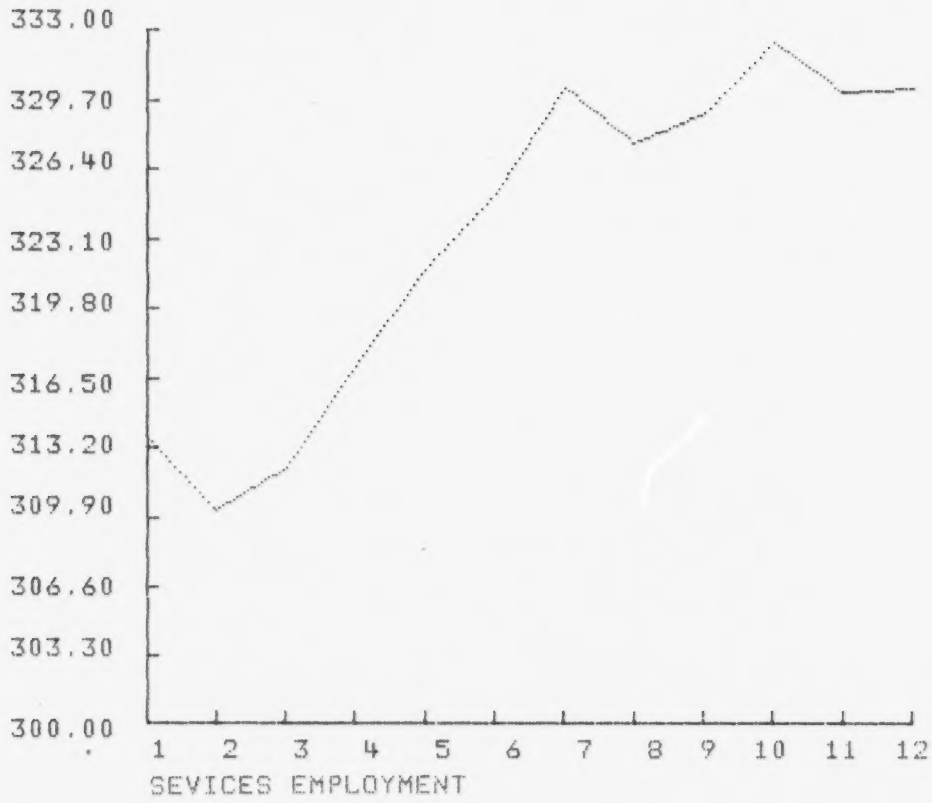

	MONTH	DATA VALUE*
1	DECEMBER	313.6
2	JANUARY	310.1
3	FEBUARY	312.2
4	MARCH	317.0
5	APRIL	321.5
6	MAY	325.1
7	JUNE	330.2
8	JULY	327.6
9	AUGUST	329.0
10	SEPTEMBER	332.4
11	OCTOBER	329.9
12	NOVEMBER	330.2

* THOUSANDS OF EMPLOYED

ECONOMIC RESEARCH DIVISION
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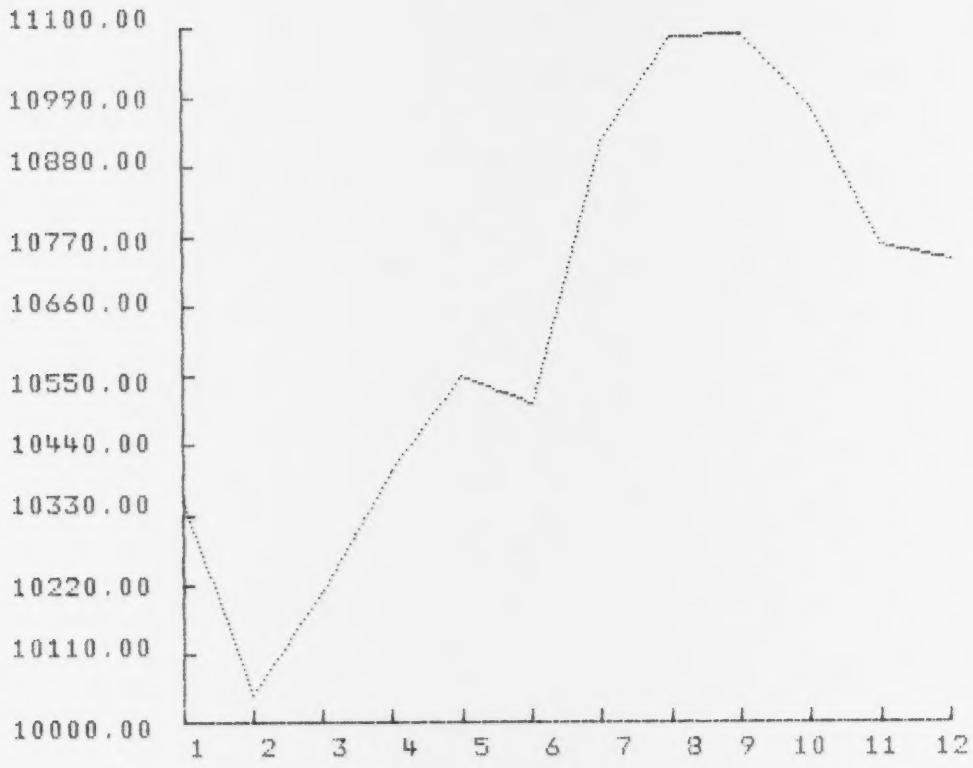
INDIANA DEPARTMENT OF COMMERCE



AVERAGE PEOPLE HOURS PER WORK WEEK IN SERVICES

	MONTH	DATA VALUE*
1	DECEMBER	10348.8
2	JANUARY	10047.2
3	FEBUARY	10208.9
4	MARCH	10397.6
5	APRIL	10545.2
6	MAY	10500.7
7	JUNE	10919.7
8	JULY	11083.0
9	AUGUST	11087.3
10	SEPTEMBER	10969.2
11	OCTOBER	10754.7
12	NOVEMBER	10731.5

* THOUSANDS OF HOURS

ECONOMIC RESEARCH DIVISION
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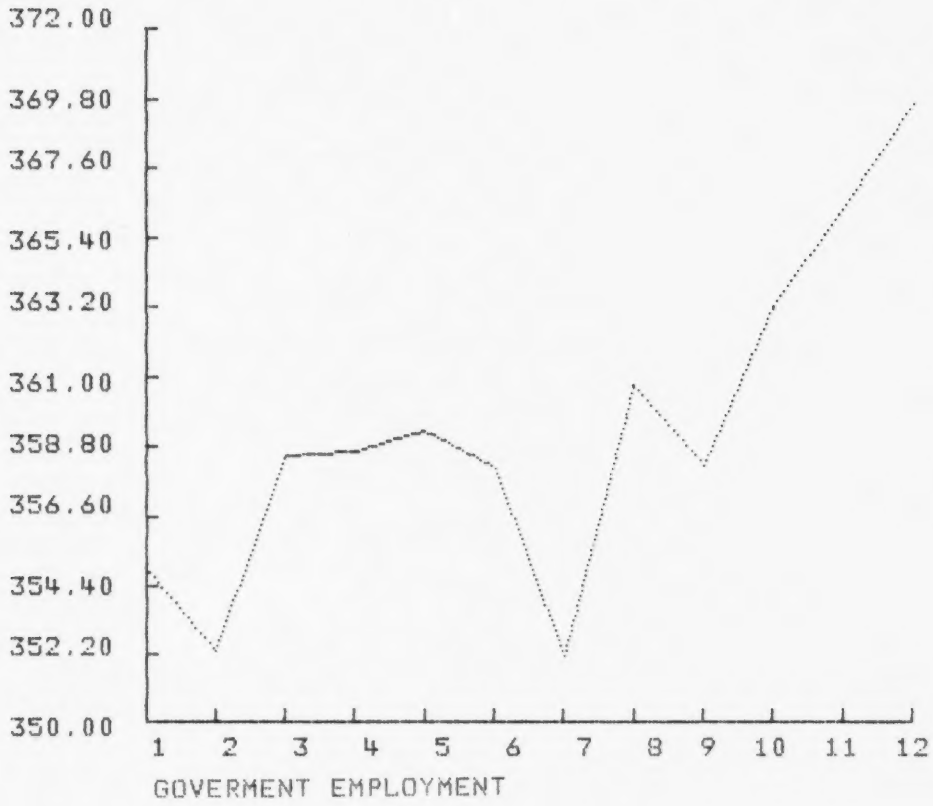
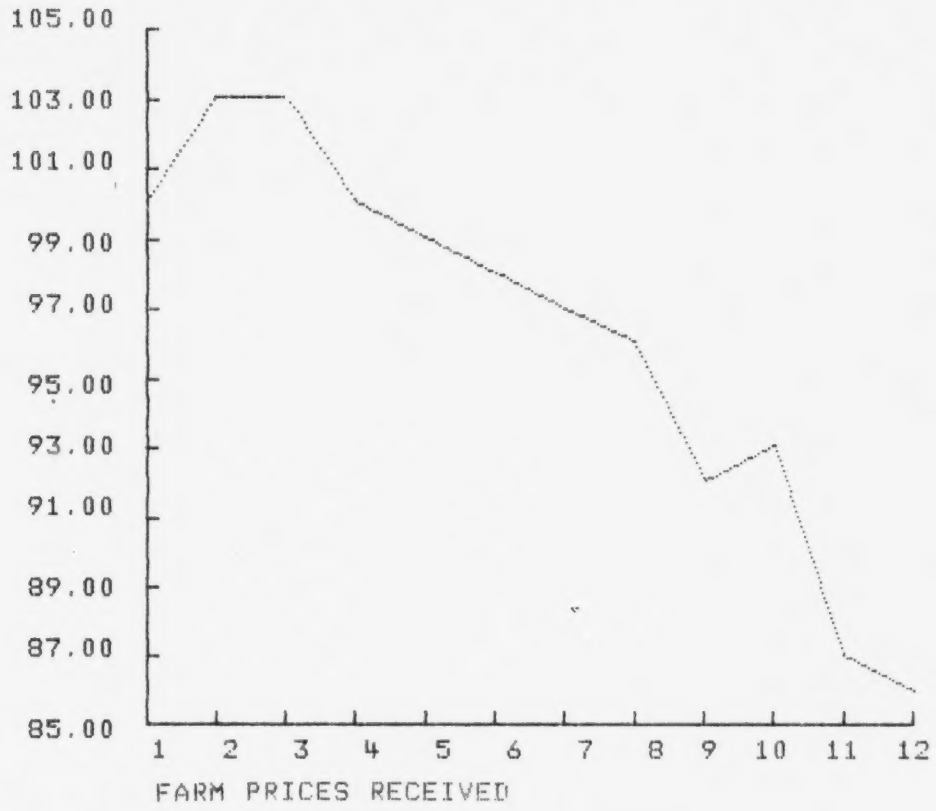
INDIANA DEPARTMENT OF COMMERCE



	MONTH	DATA VALUE*
1	DECEMBER	354.9
2	JANUARY	352.3
3	FEBUARY	358.4
4	MARCH	358.6
5	APRIL	359.2
6	MAY	358.0
7	JUNE	352.1
8	JULY	360.7
9	AUGUST	358.1
10	SEPTEMBER	363.2
11	OCTOBER	366.2
12	NOVEMBER	369.6

* THOUSANDS OF EMPLOYED

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



	MONTH	DATA VALUE*
1	DECEMBER	100.0
2	JANUARY	103.0
3	FEBUARY	103.0
4	MARCH	100.0
5	APRIL	99.0
6	MAY	98.0
7	JUNE	97.0
8	JULY	96.0
9	AUGUST	92.0
10	SEPTEMBER	93.0
11	OCTOBER	87.0
12	NOVEMBER	86.0

* CENTS PER $1.00 PAID

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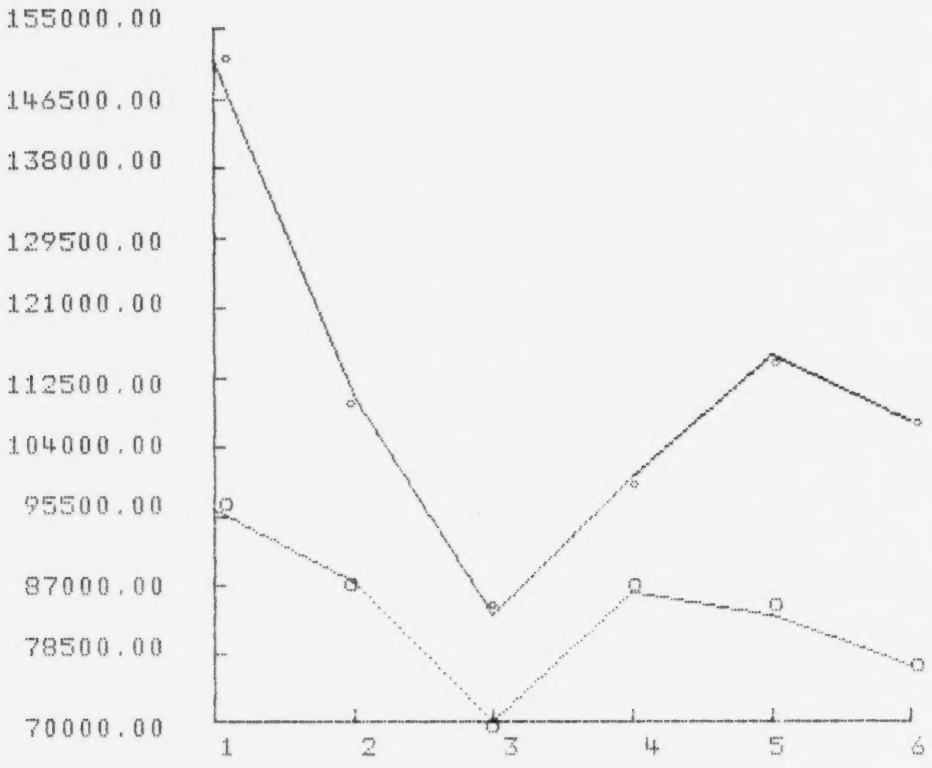

AGRICULTURAL EMPLOYMENT

	QUARTER		DATA VALUE∘	DATA VALUEo
1	THIRD	1978	151000	96000
2	FOURTH		110000	87000
3	FIRST	1979	83000	70000
4	SECOND		100000	86000
5	THIRD		115000	83000
6	FOURTH		107000	77000

∘ INDIVIDUALS EMPLOYED IN AGRICULTURE
o EMPLOYED FAMILY MEMBERS

ECONOMIC RESEARCH DIVISION
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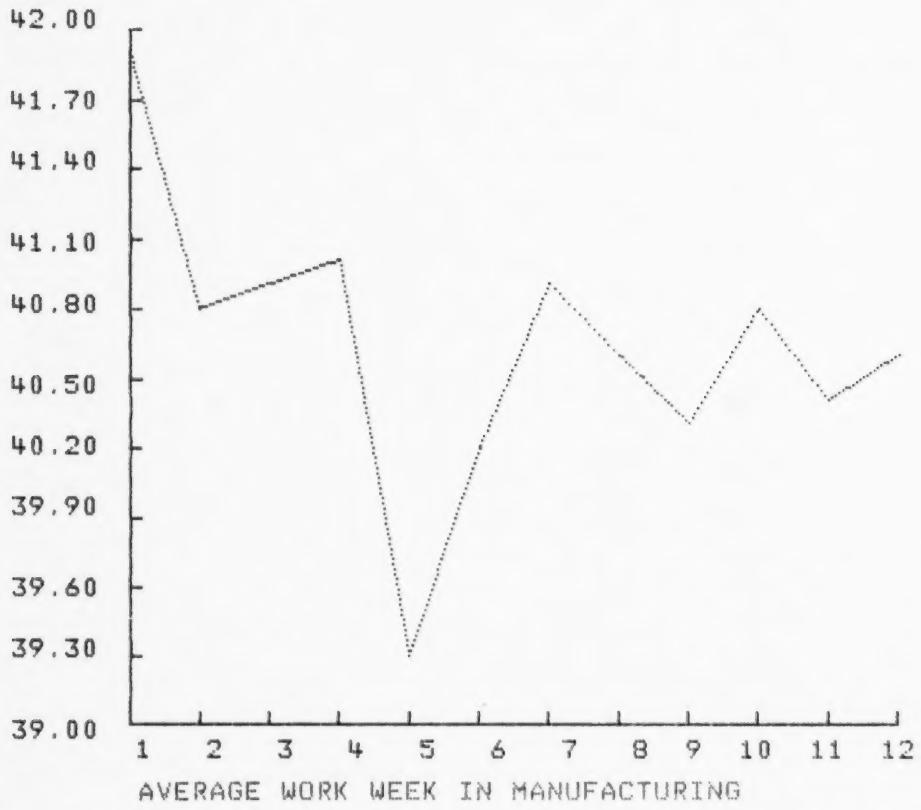
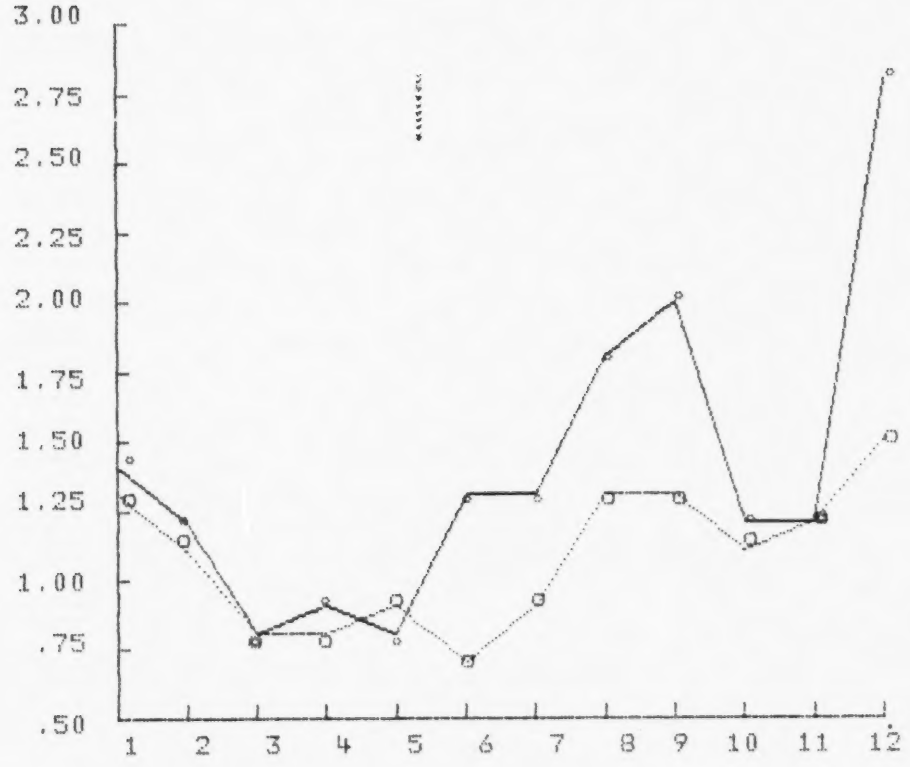
INDIANA DEPARTMENT OF COMMERCE



	MONTH	DATA VALUE*
1	DECEMBER	41.9
2	JANUARY	40.8
3	FEBUARY	40.9
4	MARCH	41.0
5	APRIL	39.3
6	MAY	40.2
7	JUNE	40.9
8	JULY	40.6
9	AUGUST	40.3
10	SEPTEMBER	40.8
11	OCTOBER	40.4
12	NOVEMBER	40.6

* HOURS

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



MANUFACTURING LAYOFF RATE

	MONTH	DATA VALUE∘	DATA VALUEo
1	DECEMBER	1.4	1.3
2	JANUARY	1.2	1.1
3	FEBUARY	.8	.8
4	MARCH	.9	.8
5	APRIL	.8	.9
6	MAY	1.3	.7
7	JUNE	1.3	.9
8	JULY	1.8	1.3
9	AUGUST	2.0	1.3
10	SEPTEMBER	1.2	1.1
11	OCTOBER	1.2	1.2
12	NOVEMBER	2.8	1.5

∘ WORKERS/ HUNDRED WORKERS EMPLOYED IN INDIANA
o WORKERS/ HUNDRED WORKERS EMPLOYED IN THE U.S.

ECONOMIC RESEARCH DIVISION
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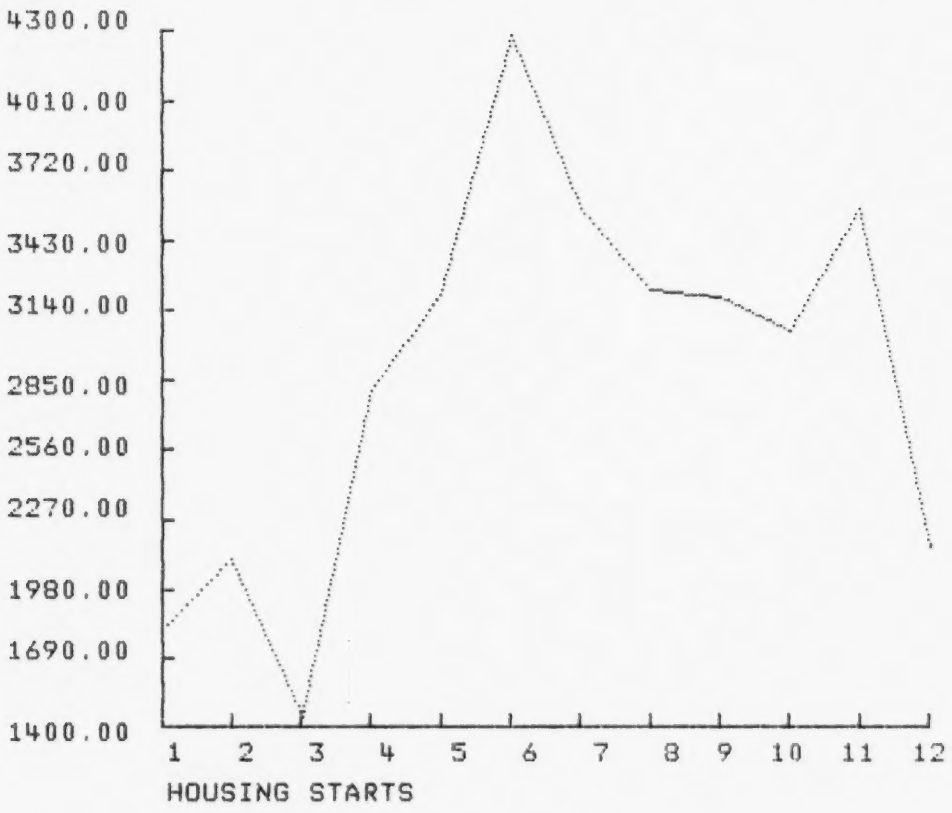
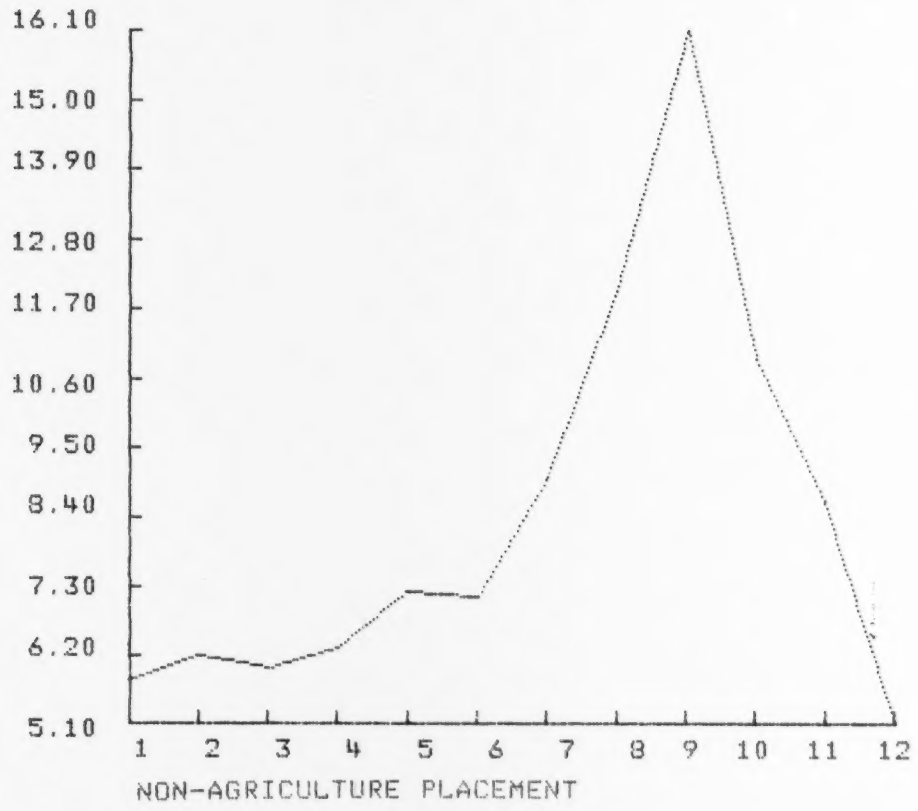
INDIANA DEPARTMENT ON COMMERCE



	MONTH	DATA VALUE*
1	DECEMBER	1809.0
2	JANUARY	2098.0
3	FEBUARY	1443.0
4	MARCH	2796.0
5	APRIL	3202.0
6	MAY	4280.0
7	JUNE	3554.0
8	JULY	3215.0
9	AUGUST	3191.0
10	SEPTEMBER	3054.0
11	OCTOBER	3561.0
12	NOVEMBER	2153.0

* NUMBER OF UNITS

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE



	MONTH	DATA VALUE*
1	DECEMBER	5.8
2	JANUARY	6.2
3	FEBUARY	6.0
4	MARCH	6.3
5	APRIL	7.2
6	MAY	7.1
7	JUNE	9.0
8	JULY	12.0
9	AUGUST	16.1
10	SEPTEMBER	10.9
11	OCTOBER	8.6
12	NOVEMBER	5.1

* THOUSANDS OF INDIVIDUALS

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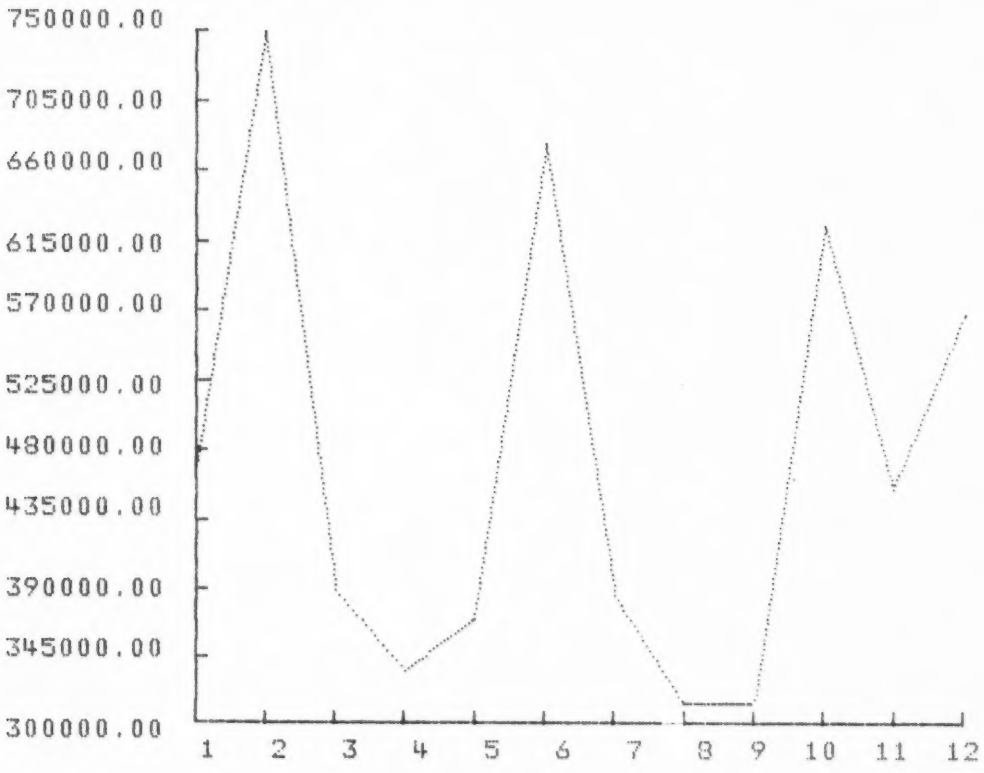

CONTINUOUS UNEMPLOYMENT CLAIMS

	QUARTERS		DATA VALUE*
1	FOURTH	1976	464300
2	FIRST	1977	747600
3	SECOND		386700
4	THIRD		334200
5	FOURTH		369800
6	FIRST	1978	675700
7	SECOND		384900
8	THIRD		313100
9	FOURTH		314400
10	FIRST	1979	623400
11	SECOND		453700
12	THIRD		566000

ECONOMIC RESEARCH DIVISION
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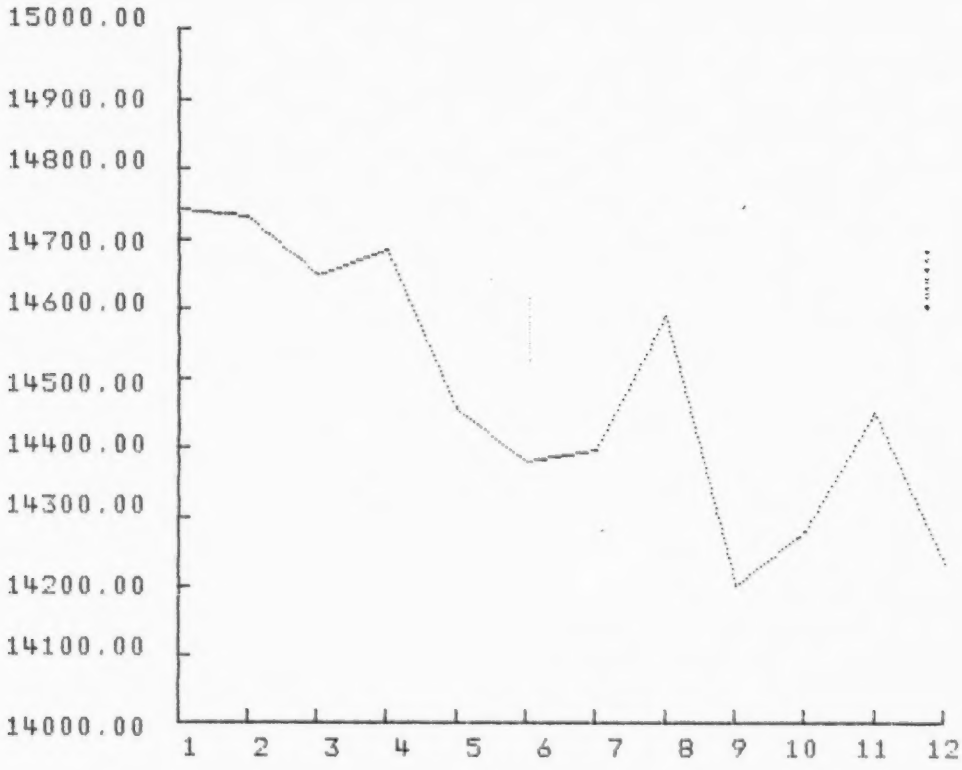
* INDIVIDUALS UNEMPLOYED FOR TWO CONSECUTIVE WEEKS



MANUFACTURING PRODUCTION

	MONTH	DATA VALUE*
1	DECEMBER	14741.4
2	JANUARY	14727.7
3	FEBUARY	14645.3
4	MARCH	14680.5
5	APRIL	14452.6
6	MAY	14375.4
7	JUNE	14394.5
8	JULY	14586.9
9	AUGUST	14198.7
10	SEPTEMBER	14279.7
11	OCTOBER	14450.3
12	NOVEMBER	14231.6

* MILLIONS OF UNITS

ECONOMIC RESEARCH DIVISION
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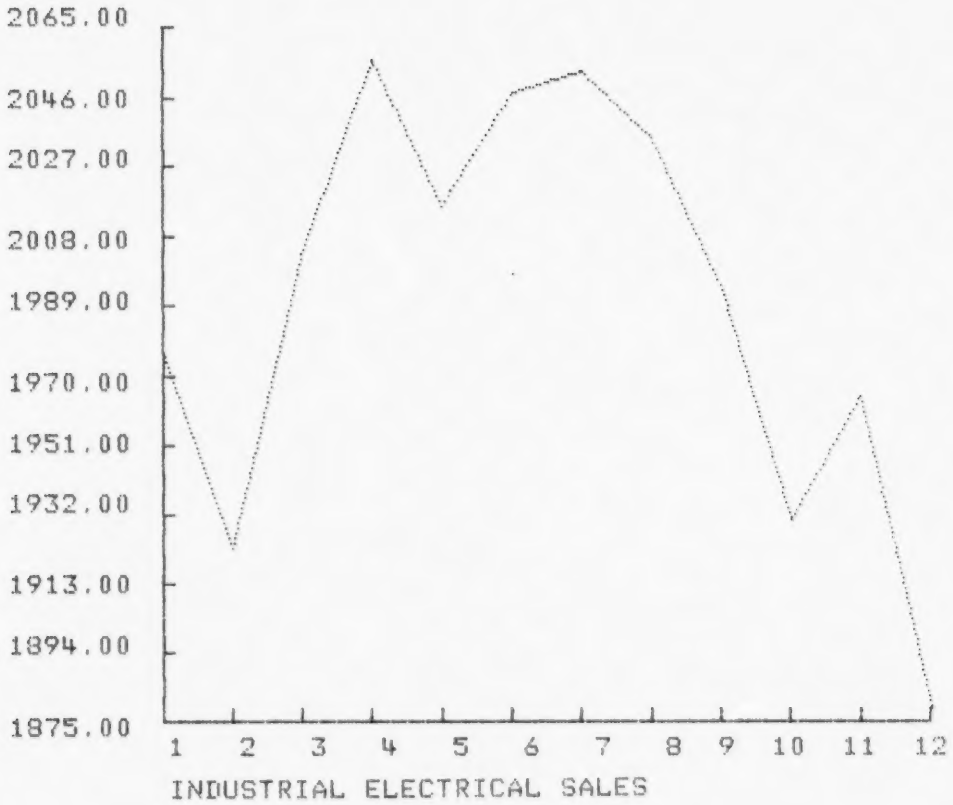
INDIANA DEPARTMENT OF COMMERCE



	MONTH	DATA VALUE*
1	DECEMBER	1976.2
2	JANUARY	1922.0
3	FEBUARY	2003.7
4	MARCH	2055.7
5	APRIL	2015.5
6	MAY	2046.5
7	JUNE	2052.1
8	JULY	2034.4
9	AUGUST	1993.0
10	SEPTEMBER	1929.8
11	OCTOBER	1963.6
12	NOVEMBER	1878.5

* MILLIONS OF KILOWATT HOURS

ECONOMIC RESEARCH DIVISION
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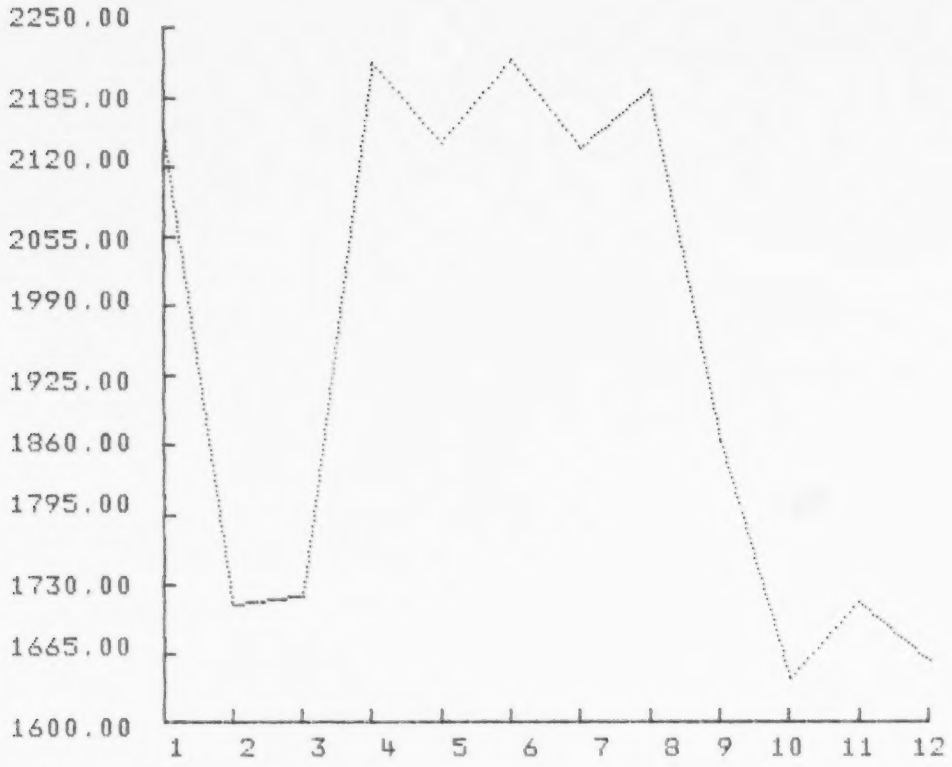
INDIANA DEPARTMENT OF COMMERCE



	MONTH	DATA VALUE*
1	DECEMBER	2153.3
2	JANUARY	1710.3
3	FEBUARY	1715.6
4	MARCH	2216.0
5	APRIL	2140.9
6	MAY	2218.8
7	JUNE	2136.2
8	JULY	2189.3
9	AUGUST	1860.5
10	SEPTEMBER	1641.8
11	OCTOBER	1711.6
12	NOVEMBER	1657.7

* THOUSANDS OF NET TONS

ECONOMIC RESEARCH DIVISION
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
INDIANA DEPARTMENT OF COMMERCE

DATA SOURCES

The following information is from the U.S. Department of Commerce.

Personal Income - "Survey of Current Business," second quarter 1979 is latest available, seasonally adjusted at annual rates.

Retail Sales - "Monthly Retail trade," U.S. Bureau of the Census, preliminary November 1979 is latest available, other months are revised, not adjusted for seasonal variations, holiday or tradeing day differences.

The following is from Purdue University, Department of Agricultural Statistics.

Agricultural Employment - Quarterly data, latest is October 1979.

Prices Received by Farmers - Mid-month figures, latest available is November 1979.

The following are from the Indiana University School of Business, Business Research Division.

Industrial Electricity Sales - Original series, latest month available is November 1979.

Raw Steel Production - Original series, latest month available is November 1979.

Residential and Non-residential Expenditures - Original series, latest month available is November 1979.

Housing Starts - Original series, latest month available is November 1979.

Construction of Public Works nd Utilities Facilities - Original series, latest month available is November 1979.

Manufacturing Production - Seasonally adjusted series, latest month availability is November 1979.

The following data is from the Indiana Employment Security Division.

Aggregate Employment, Unemployment Rate, Average Work Week in Manufacturing, Non-agricultural Placements, Manufacturing Employment and the Employment Figures for the Various Non-manufacturing Sectors - Latest month available is November 1979. All of these, except Non-agricultural Placements, are revised each month. For example, the November data not only gives the preliminary November figures, but also revise the October figures.

Manufacturing Layoff Rate - Latest month available is November 1979 and these monthly figures are not revised.

Average people hours per work week is derived by combining Indiana Employment Security employ-

ment data multiplied by Indiana Employment Security average work week information. It should be noted that the indicators which are expressed in dollar amounts are in current dollars. This is due to the fact that even though there are implicit price deflators for the various sectors of GNP, these deflators are not specific to Indiana and thus cannot be applied.

Information pertaining to nationwide construction of residential and non-residential building was obtained from F.W. Dodge, Division of McGraw-Hill Information System Company.

S 256.2-2

INDIANA'S ECONOMY

INDIANA DEPARTMENT OF COMMERCE
RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
TAD PERRY, GROUP DIRECTOR

APRIL 1980

(Includes Data Through December, 1979)

Following this issue of Indiana's Economy, all further issues will be printed and distributed on a quarterly basis. The information found within will continue to be the most up-to-date possible and will remain complimentary to previous issues. Your name and address will remain on our mailing list for the subsequent publications.

The purpose of this report is to provide a brief synopsis of Indiana's economy for calendar year 1979. The following sections of this analysis treat particular developments in the state's economy. Specifically, they deal with their description of economic activity: overall indicators, individual sectors of the economy and leading indicators.

Overall Indicators

The overall indicators of the state of the entire economy are: personal income, the unemployment rate and aggregate employment. When general economic activity increases or decreases, these simultaneously rise or fall. Thus, a brief summary of these indicators may serve as a point of departure for obtaining an overall view of Indiana's economy.

Personal income for the third quarter of 1979 stood at $46.4 billion. This amount represents a 2.1 percent increase over the second quarter of 1979 and a 10.1 percent increase since the third quarter of 1978. The national average gains for these same two periods were 2.8 percent and 11.2 percent, respectively. Mining, farm, and manufacturing income were the areas where negative growth in income occurred, with –9.0, –4.2 and –0.50 percent changes respectively from the previous quarter. Income in the construction, services, and government areas showed increases of 3.2, 2.6 percent and 1.6 percent, respectively, from the second quarter of 1979. The rate of increase in total personal income for Indiana was 75 percent of the U.S. average rate and ranked 42nd out of the 50 states in percent growth.

The seasonally adjusted unemployment rate in Indiana has been above the U.S. average since June of 1979 and, as of December 1979, stands at 7.8 percent of the labor force. The U.S. unemployment rate is 7.4 percent of its labor force. The average unemployment rate for 1979 in Indiana is 6.4 percent, while the average for the U.S. is 5.8 percent. Indiana's rate is considered to be a leading indicator for the rest of the country and so the rise in national unemployment rate has been expected for some months.

The December 1979 preliminary figure for aggregate employment of 2.42 million persons represents a decline of 5,200 from November 1979 and a 35,900 person decline in employment from December 1978. This one month decline in employment, coupled with a 23,700 person increase in the state's labor force, resulted in an increase in the unemployment rate. The number of persons employed in the U.S. rose by 104,000 individuals, from November 1979 to December 1979 but, at the same time, the number of persons in the labor force increased by 164,000 people thereby causing an increase in the unemployment rate nationwide.

Individual Sectors

In the manufacturing sector, employment decreased by 4,900 people in December 1979 from November 1979. This 0.68 percent decline brings the total manufacturing employment level to 716,000 people –

a 37,600 person declined from December one year ago. The December 1979 employment level, coupled with the average work week in manufacturing for December 1979, results in a 0.68 percent decline in manufacturing work input from November 1979 and a 7.26 percent decline in the total manufacturing work input from December 1978. The 1979 average employment level in manufacturing was 740,900. This was a 0.27 percent increase over the 1978 average of 738,400 persons.

The greatest part of this decline in the manufacturing sector was experienced in the durable goods industry. The durable goods industry makes up approximately 75 percent of the whole manufacturing sector's employment. A decline in the durable goods industry is usually considered an indication of an oncoming economic slowdown. Employment in the durable goods sector of Indiana's economy has experienced a 5.71 percent decline from December 1978 to December 1979, which includes a 0.73 percent decline from November 1979 to December 1979. The average people hours per work week in durable goods took a slight upturn from the November 1979 level of 40.2 hours to 40.8 hours per week in December 1979. This 1.49 percent increase in the average work week resulted in a net increase of 0.76 percent in the total work input for durable goods from November to December 1979. There was, however, an 8.19 percent reduction from a year earlier. In 1979 there were an average of 571,400 people employed in the durable goods industries. This is 0.51 percent above the 1978 annual average of 568,500 persons.

The individual sectors within the durable goods industry that have experienced, from December 1978 to December 1979, the greatest changes in employment levels are: (1) the transportation industry which had a 21,900 person reduction in employment (19,700 of these layoffs have been in the auto parts sector); (2) the primary metals industry which had a 5,500 worker reduction; (3) the fabricated metals industry which had a drop of 3,000 employees; and (4) the electrical equipment for transportation industry which experienced a 2,100 employee decline. The sectors within the durable goods industry that showed some growth are: (1) the aircraft parts industry which had a 800 employee increase; and (2) the part of the electrical equipment industry that produces radios, televisions, telephone and electrical components which increased by 1,600 employees.

The construction sector employment fell by 6,400 people from November 1979 to December 1979 to reach a level of 110,800 persons employed. This decline, however, leaves the construction industry 6,000 people ahead of the December 1978 level. The 5.46 percent decline in employment from November to December 1979 coupled with a 2.94 percent increase in the average work week for construction workers leaves the total work input into contract construction, in December 1979, 2.68 percent below the November 1979 level but 4.37 percent ahead of the December 1978 level. This annual increase in construction activity can be attributed to the increase in expenditures for non-residential construction. Calendar year

1979 has an average of 108,900 persons employed in the construction sector. This is 10.78 percent above the 1978 level of 98,300 persons. Non-residential construction expenditures increased to $114 million in the month of December to establish an all time record high for a single month. The December 1979 non-residential expenditure level represents a 4.8 percent increase from the previous record high reached in November 1979, and is 22.57 percent greater than the December 1978 level. This 4.8 percent increase compares unfavorably to the national increase of 18.10 percent for the same time span. Indiana's total for 1979 is $1,146.5 million worth of non-residential construction, an increase of $72.3 million over the total of 1978. This increase for the state in non-residential construction of 6.7 percent lags behind the 1979 total national increase of 10.2 percent over the previous year.

The level of expenditures for residential construction experienced a decline of $22.67 million from November 1979 to the December 1979 level of $126.8 million dollars. The 15.17 percent decline in Indiana's residential construction expenditure compares poorly with the 9 percent decline experienced nationally. The 1979 total for residential construction expenditures in Indiana was $1.61 billion which is 8.63 percent below the total for the previous year. The corresponding national total decreased by 0.35 percent.

The November 1979 level of expenditures for the construction of public works and utility facilities continued its decline from its record high level in November 1978. The December 1979 level of $94.7 million is 4.14 percent below the November 1979 level and 71.23 percent below the December 1978 level. The 1979 annual total expenditure for the construction of public works and utilities was $2,188.6 million level, 21.61 percent below the 1978 total of $2,791.9 million. This continued decline is partially the result of the national moratorium placed on the construction of nuclear power plants and the continued problems experienced by the Marble Hill nuclear power plant near Madison, Indiana, which is not scheduled to resume construction until May 1980.

The employment level in the wholesale and retail trade sector of Indiana's economy showed a 6,500 employee increase from November 1979 to December 1979 and was 22,900 people higher than the December 1978 level. The average work week for a wholesale and retail trade employee showed an increase of 1.19 percent in December 1979 from both the November 1979 and December 1978 levels. The combination of these two factors results in an overall increase in work input of 2.49 percent from November 1979 and a 6.23 percent increase from December 1978. 1979 had an average of 499,900 worker's in the wholesale and retail trade sector, an increase of 5.15 percent from the 473,800 persons. The total retail sales for December 1979 was $2,100 million, an increase of 9.09 percent from the November 1979 level, but a 0.90 percent decrease from the December 1978 level. The total retail sales in Indiana for 1979 were $21.5 billion, a 8.59 percent increase over the $19.8 billion total for 1978. National retail sales figures for

1979 were 10.68 percent greater than 1978.

The December 1979 employment figure of 110,500 for the transportation, communication and utilities (T.C.U.) industry showed a decline of 900 persons from the November 1979 level. This decline coupled with a slight decrease in the average work week for T.C.U. employees resulted in a 1.29 percent decline in the total work input from November 1979 to December 1979. There was a 700 employee increase in the T.C.U. employee level from December 1978 to December 1979. This increase in employment coupled with a decline in the average work week per employee from December 1978 to December 1979 resulted in a 0.58 percent decrease in the total work input into this sector of the economy. The 1979 average level of employment was 111,400, a 3.24 percent increase over the 1978 average of 107,900 persons.

The employment level in the finance, insurance and real estate (F.I.R.E.) sector for December 1979 increased 100 people from the revised November 1979 level of 102,000. An increase in the average work week per employee in December 1979 yielded an increase of 2.8 percent in the total work input in the F.I.R.E. sector. The December 1979 employment level was 4.6 percent higher than the employment level in December 1978, and a work input increase of 5.74 percent was experienced over the year. The annual average employment in the F.I.R.E. sector of the economy which was 101,200 for 1979 was 4.8 percent higher than the 96,400 average for 1978.

The mining sector of Indiana's economy showed a 300 person decline in employment from November 1979 to December 1979 to reach the level of 10,500 employees. This is 9.38 percent higher than the level reached in December 1978. A one month increase of 9.46 percent in the average work week resulted in a total work input increase of 6.42 percent from November 1979 to December 1979. There was also a 15.35 percent increase in work input from December one year ago. This coincides with a 20.22 percent increase to the 1979 average employment of 10,700 from the 1978 average of 8,900.

The services industry showed an decrease of 1,100 people from November 1979 to reach an employment level of 338,100 for December 1979. This decrease coupled with the slight increase in the average work week resulted in a net change of 0.60 percent in the total work input for the service industry. The service industry's current level of employment, and the change in the average work week, resulted in a 7.16 percent increase in the work input level over December one year ago. The 1979 average employment level of 332,700 was 6.29 percent greater than the 1978 average.

The government work force decreased by 1,300 people from November 1979 to December 1979 to reach a level of 362,100 people. The current level represents a 2.03 percent increase from December one year ago. Government employment is not considered an hourly work force so there are no figures to establish an average work week. However, the 1979 average government employment of 353,900 was 0.11

percent below the 1978 average of 354,300.

The Hoosier farmer received, in 1979, 95.25 cents for every dollar paid out for agricultural expenditures. This amount is below the 1978 average of 98.80 cents received per dollar paid out. The December 1979 level of 89 cents received per dollar spent is an increase of 3.49 percent from the record low level of November 1979. The average employment level in the farming sector for 1979 was 101,250 persons, 7.1 percent below the average for 1978. The final quarter of 1979 showed employment averaging 107,000 people, 2.72 percent below the 1978 fourth quarter level. Seventy-eight percent of all farm employees were members of the farmers' family. This is an increase from the 75.2 percent average level experienced for 1978. The number of hired workers that the farming industry employed fell from a 1978 average per quarter of 27,000 to 22,250 in 1979, a 21.35 percent decline.

Leading Indicators

There are four factors which reach business cycle peaks and troughs ahead of general economic activity. These indicators (average work week in manufacturing, layoff rate in manufacturing, housing starts and non-agricultural placements) are important because they function as leading indicators and allow inference about future economic conditions.

The average work week in manufacturing for 1979 was 40.56 hours. This compares with 1978's average level of 41.1 hours. The U.S. had an average work week in 1979 of 40.18 hours, 40.4 in 1978. This information would tend to suggest that manufacturers have eliminated most of their overtime workers and now have altered employment levels to adjust for changes in the demand of their product.

The manufacturing layoff rate for December 1979 was 2.3 per 100 workers employed, compared to 1.7 per 100 in the U.S. The most significantly affected areas where layoffs occured have been in the durable goods sector. The largest layoff rates were in lumber and wood products, autos and parts and electrical equipment for autos and aircraft. The 1979 average manufacturing layoff rates was 1.467 per 1000 while the U.S. average was 1.108 per 1000.

There were 1,252 new housing starts in December 1979. This brings the 1979 total of new housing up to 33,959 units. This total is 20.17 percent below the 1978 total of 42,538 new housing starts. The December 1979 level was 30.79 percent below the December 1978 level of 1,809 units started.

Non-agricultural placements (individual) fell from the November 1979 level of 5,070 to 3,896 in December 1979. The average monthly totals for the last three years were 8,198, 10,092 and 9,379 respectively. This change throughout the years tends to indicate that the 1979 individual is having a harder time obtaining employment than their cohorts of the two previous years. The continued unemployment

figure of 706,000 persons (this figure represents the total number of weeks unemployment claim filed by individuals) was 124.6 percent higher in the fourth quarter 1979 than in the fourth quarter 1978, and 90.9 percent higher than in 1977's quarter. This higher number of claims tend to show a slump in the job market as revealed by the fact that those persons who are unemployed are staying unemployed longer.

As this summary alluded to earlier, the manufacturing sector of Indiana's economy is dominating the state's growth patterns. Manufacturing production fell in December 1979 from the November 1979 level by 3.91 percent, and was below the December 1978 level by 7.23 percent. The average manufacturing production level in 1979 was 1.20 percent higher than the 1978 average. This decline in the production of the manufacturing sector was also reflected by a 35.74 percent decline in the sales of electricity to the manufacturing sector from November 1979 to December 1979 and a 38.92 percent decline from December 1978. This would tend to indicate that the reduction in manufacturing production occurred in energy intensive areas, and that there is some effort to conserve energy. The production of manufactured goods is vital to the growth of Indiana's economy insomuch that, in December 1979, 29.6 percent of all working people in the state were employed in the manufacturing sector and 76 percent of those people were employed in the durable goods industry. Therefore, a decline in the manufacturing production level is generally an indication of an economic slowdown for the state.

One of Indiana's major export products is steel. Raw steel production increased 3.35 percent from November 1979 to December 1979 but showed a 5.91 percent reduction in the sales for 1979, compared to 1978. The steel industry for 1979 had two record production months, March and May, and one that marked a 32 month record low, September. These varied production levels have caused the employment levels within the industry to vary throughout the year.

Conclusion

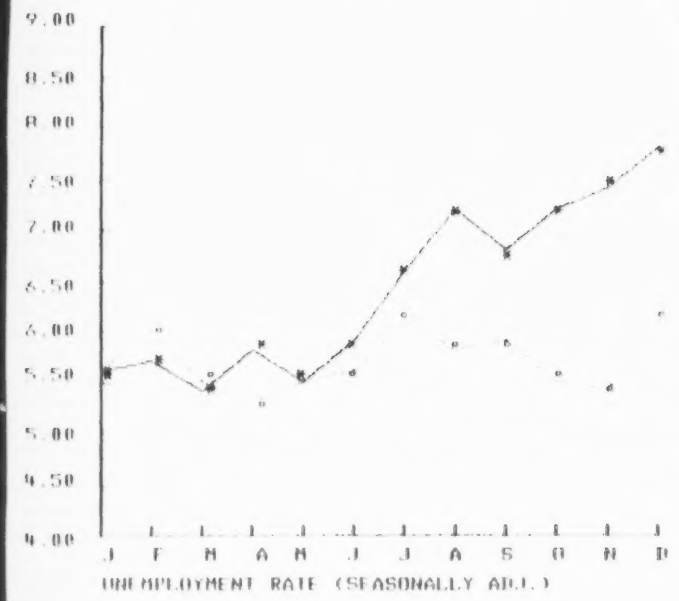
Indiana's generally diversified economy has helped to maintain its strength through general economic declines. However, the state still has a strong dependence on the durable goods sector of its economy and a major interest in the automotive industry. The portion of Indiana's employment that can be directly attributed to the automotive industry has been declining due to the current layoffs within the industry. The problem is that a fluctuation in the demand for automotive goods creates a fluctuation in the employment level of the manufacturing sector of the state's economy. In December 1979, Indiana had 29.6 percent of its work force employed in the manufacturing sector. A further break down shows that 22.63 percent of the state work force was involved in the durable goods production sector and 4.61 percent of the total were directly related to the transportation industry. These figures all represent a decline from the December

1978 level of 30.63 percent working in the manufacturing, 23.66 percent working in the durable goods industry and 5.53 percent involved in the production of automotive goods. On the surface these changes might seem to reveal a shift in Indiana's economy away from the manufacturing intensity of the past. A closer look, however, reveals that these changes are not the result of a shift in the economic mix of the state, but that they occured because the durable goods industry generally, and automotive specifically, is the most susceptible to changes in demand that are experienced during the beginning of a recessionary cycle. Nearly all of the decline in the employment of the state can be related to the slowdown experienced in the manufacturing sector of the state's economy.

December 1979 showed a 35,900 person decline in aggregate employment from December 1978. The 35,900 person figures does not adequately reveal a 37,600 person loss of employment in the manufacturing sector, of which 33,200 were in the durable goods industry. The increases in employment levels of other areas of Indiana's economy non-manufacturing partially offset the decline in employment experienced by the manufacturing sector.

DATA

The following section is composed of data graphs for the indicators discussed in the narrative. Most of the data is from December 1978 through December 1979, with some 1978 and 1979 annual averages.

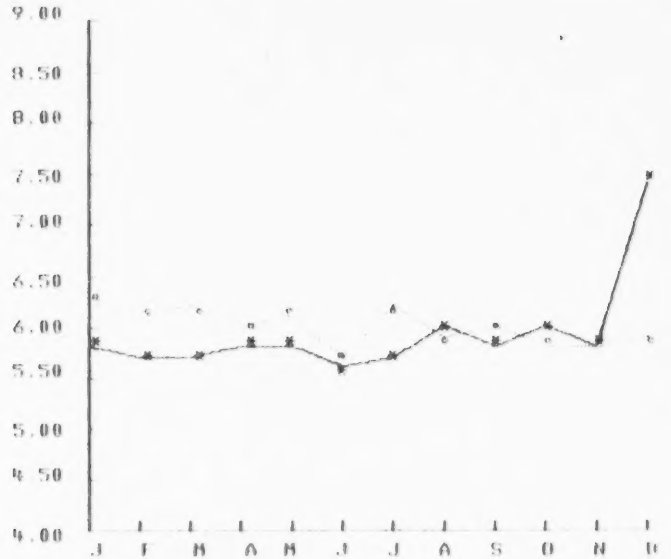


6

MONTH	DATA VALUE **		
	1978	1979	%/=A
JANUARY	5.60	5.60	0.0
FEBRUARY	6.00	5.70	(5.0)
MARCH	5.50	5.40	(1.8)
APRIL	5.30	5.80	9.4
MAY	5.50	5.50	0.0
JUNE	5.60	5.90	5.4
JULY	6.10	6.60	8.2
AUGUST	5.80	7.20	24.1
SEPTEMBER	5.90	6.80	15.3
OCTOBER	5.50	7.20	30.9
NOVEMBER	5.40	7.40	37.0
DECEMBER	6.10	7.80	27.9

**PERCENT

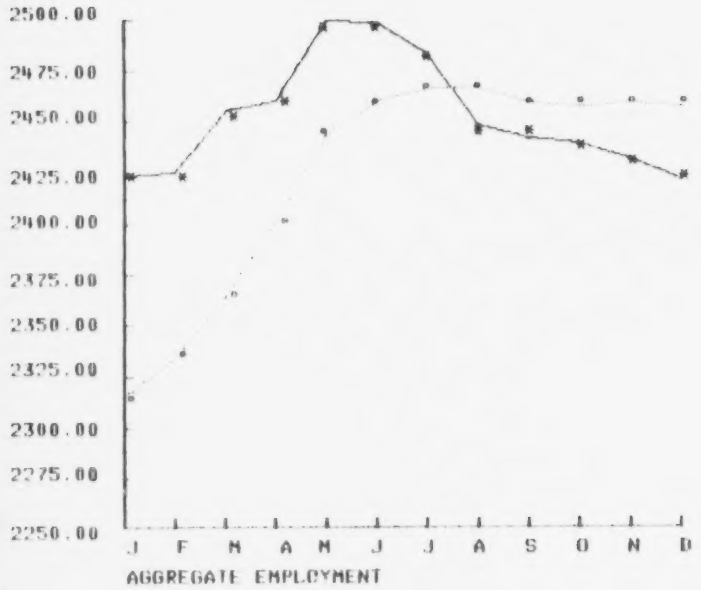
PREPARED APRIL 1980



MONTH	DATA VALUE **		
	1978	1979	%/=A
JANUARY	6.30	5.80	(7.9)
FEBRUARY	6.10	5.70	(6.6)
MARCH	6.20	5.70	(8.1)
APRIL	6.00	5.80	(3.3)
MAY	6.10	5.80	(4.9)
JUNE	5.70	5.60	(1.8)
JULY	6.20	5.70	(8.1)
AUGUST	5.90	6.00	1.7
SEPTEMBER	6.00	5.80	(3.3)
OCTOBER	5.80	6.00	3.4
NOVEMBER	5.80	5.80	0.0
DECEMBER	5.20	7.40	25.4

**PERCENT

PREPARED APRIL 1980



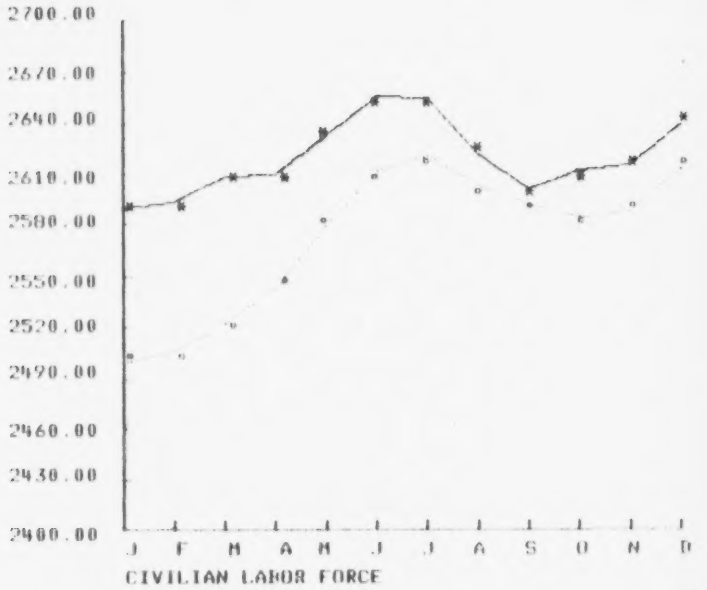
AGGREGATE EMPLOYMENT

∘ 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	∘/∘Δ
JANUARY	2314.70	2423.40	4.7
FEBRUARY	2333.40	2425.20	3.9
MARCH	2364.40	2455.30	3.8
APRIL	2401.00	2459.40	2.4
MAY	2443.00	2498.90	2.3
JUNE	2459.60	2498.20	1.6
JULY	2466.20	2482.00	.6
AUGUST	2466.10	2447.70	(.7)
SEPTEMBER	2458.40	2441.40	(.7)
OCTOBER	2456.50	2438.80	(.7)
NOVEMBER	2458.50	2431.50	(1.1)
DECEMBER	2457.20	2421.30	(1.5)

**THOUSANDS

PREPARED APRIL 1980



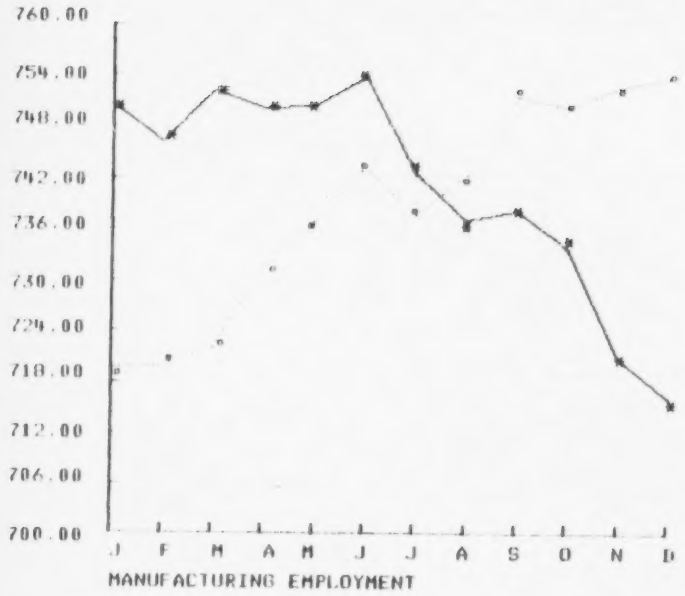
CIVILIAN LABOR FORCE

∘ 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	∘/∘Δ
JANUARY	2498.40	2588.80	3.6
FEBRUARY	2506.30	2592.80	3.5
MARCH	2521.20	2607.50	3.4
APRIL	2542.00	2609.10	2.6
MAY	2578.20	2632.40	2.1
JUNE	2610.80	2654.50	1.7
JULY	2619.40	2653.40	1.3
AUGUST	2602.10	2620.80	.7
SEPTEMBER	2590.30	2600.60	.4
OCTOBER	2583.60	2610.90	1.1
NOVEMBER	2587.00	2614.40	1.1
DECEMBER	2612.60	2638.10	1.0

**THOUSANDS

PREPARED APRIL 1980



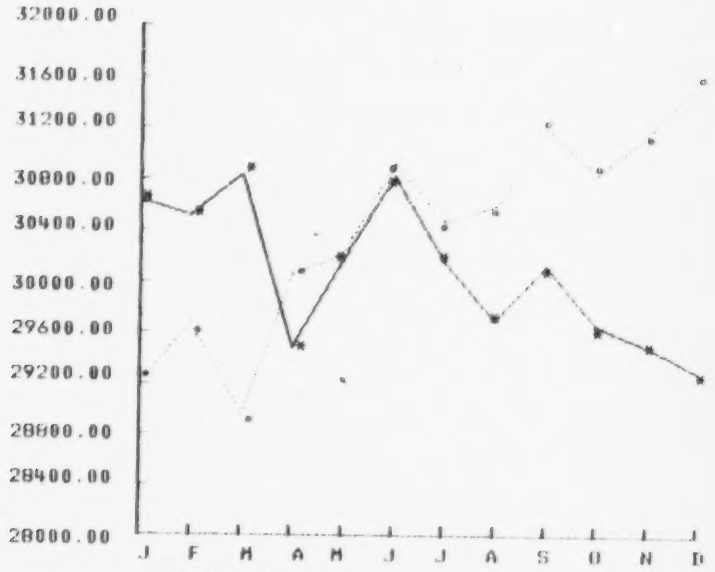
MANUFACTURING EMPLOYMENT

∘ 1978
✖ 1979

MONTH	DATA VALUE **		
	1978	1979	∘/∘Δ
JANUARY	719.60	750.60	4.3
FEBRUARY	719.80	746.10	3.7
MARCH	721.90	752.10	4.2
APRIL	731.50	750.00	2.5
MAY	736.80	750.30	1.8
JUNE	743.10	753.50	1.4
JULY	737.70	742.40	.6
AUGUST	742.20	737.00	(.7)
SEPTEMBER	751.50	738.10	(1.8)
OCTOBER	750.40	733.80	(2.2)
NOVEMBER	752.60	720.90	(4.2)
DECEMBER	753.60	716.00	(5.0)

**THOUSANDS

PREPARED APRIL 1980



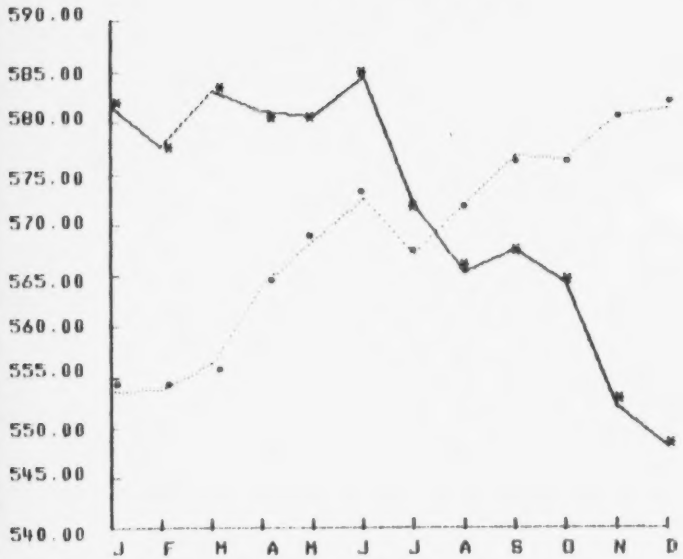
AVERAGE PEOPLE HOURS PER WORK WEEK
IN MANUFACTURING

∘ 1978
✖ 1979

MONTH	DATA VALUE **		
	1978	1979	∘/∘Δ
JANUARY	29215.76	30624.48	4.8
FEBRUARY	29655.76	30515.49	2.9
MARCH	28948.19	30836.10	6.5
APRIL	30069.65	29475.00	(2.0)
MAY	30208.80	30162.06	(.2)
JUNE	30912.96	30818.15	(.3)
JULY	30467.01	30141.44	(1.1)
AUGUST	30578.64	29701.10	(2.9)
SEPTEMBER	31187.25	30114.48	(3.4)
OCTOBER	30841.44	29645.52	(3.9)
NOVEMBER	31157.64	29484.81	(5.4)
DECEMBER	31575.84	29284.40	(7.3)

**THOUSANDS

PREPARED APRIL 1980



MANUFACTURING OF DURABLE GOODS

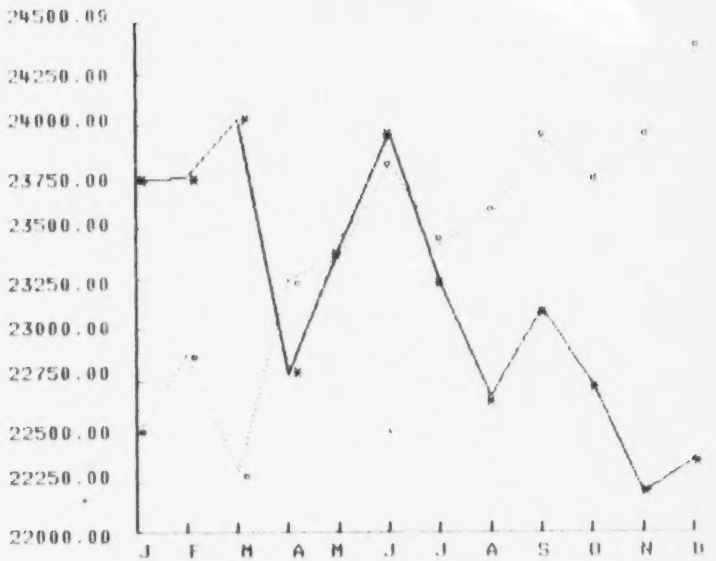
EMPLOYMENT

* :1978
* :1979

MONTH	DATA VALUE **		
	1978	1979	+/-Δ
JANUARY	553.60	581.50	5.0
FEBRUARY	553.80	577.60	4.3
MARCH	556.20	583.00	4.8
APRIL	564.00	581.00	3.0
MAY	568.20	580.40	2.1
JUNE	572.40	584.30	2.1
JULY	567.00	571.90	.9
AUGUST	571.90	565.20	(1.2)
SEPTEMBER	576.60	567.40	(1.6)
OCTOBER	576.30	564.10	(2.1)
NOVEMBER	580.40	552.00	(4.9)
DECEMBER	581.20	548.00	(5.7)

**THOUSANDS

PREPARED APRIL 1980



AVERAGE PEOPLE HOURS PER WORK WEEK

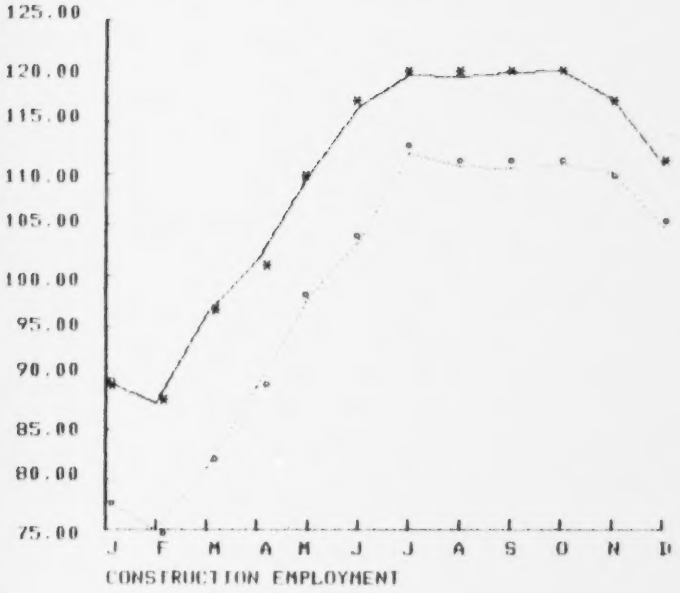
IN DURABLE GOODS MANUFACTURING

* 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	+/-Δ
JANUARY	22476.2	23725.2	5.6
FEBRUARY	22871.9	23739.4	3.8
MARCH	22303.6	24019.6	7.7
APRIL	23236.8	22775.2	(2.0)
MAY	23352.0	23390.1	.2
JUNE	23811.8	23956.4	.6
JULY	23417.1	23219.1	(.8)
AUGUST	23562.3	22664.5	(3.8)
SEPTEMBER	23928.9	23093.2	(3.5)
OCTOBER	23743.6	22733.2	(4.3)
NOVEMBER	23912.5	22190.4	(7.2)
DECEMBER	24352.3	22358.4	(8.2)

**THOUSAND HOURS

PREPARED APRIL 1980

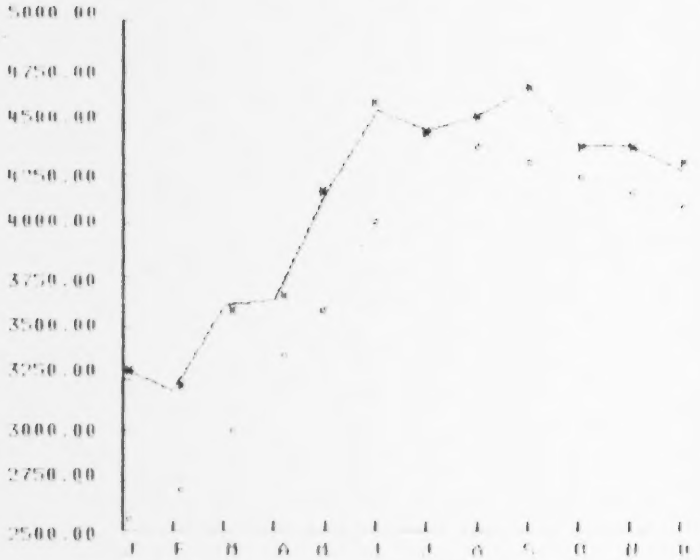


* 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	*/*Δ
JANUARY	78.00	89.70	15.0
FEBRUARY	75.00	87.40	16.5
MARCH	81.20	96.20	18.5
APRIL	89.10	101.40	13.8
MAY	97.70	109.40	12.0
JUNE	103.50	116.30	12.4
JULY	111.80	119.50	6.9
AUGUST	110.50	119.30	8.0
SEPTEMBER	110.40	119.60	8.3
OCTOBER	110.80	119.90	8.2
NOVEMBER	110.10	117.20	6.4
DECEMBER	104.80	110.80	5.7

**THOUSANDS

PREPARED APRIL 1980

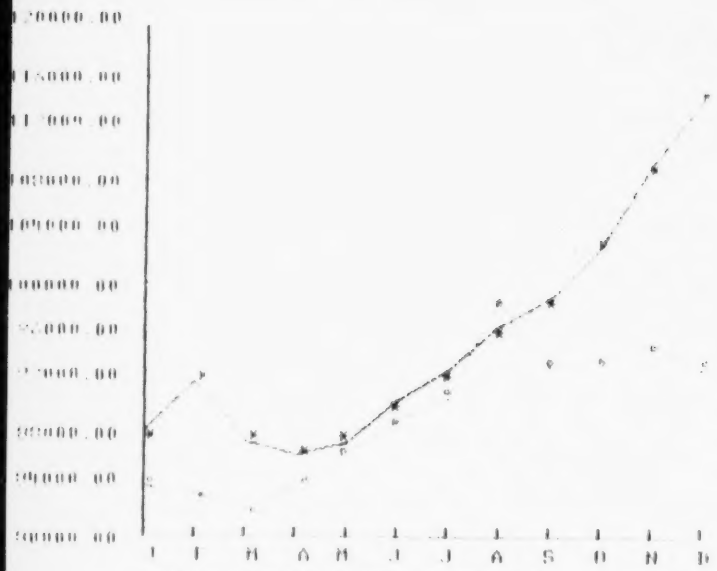


* 1978
* 1979

MONTH	Data Value **		
	1979	1978	*/*A
JANUARY	2385.6	3193.8	33.8
FEBRUARY	2730.8	3190.1	16.9
MARCH	3009.9	3602.5	19.7
APRIL	3430.8	3638.1	6.1
MAY	3595.9	4196.3	16.7
JUNE	4035.5	4552.8	12.8
JULY	4449.2	4452.9	0.1
AUGUST	4392.9	4553.9	3.7
SEPTEMBER	4361.3	4722.9	8.3
OCTOBER	4452.3	4688.3	5.3
NOVEMBER	4156.9	4383.3	5.4
DECEMBER	4051.1	4245.8	4.8

**THOUSANDS

PREPARED APRIL 1980



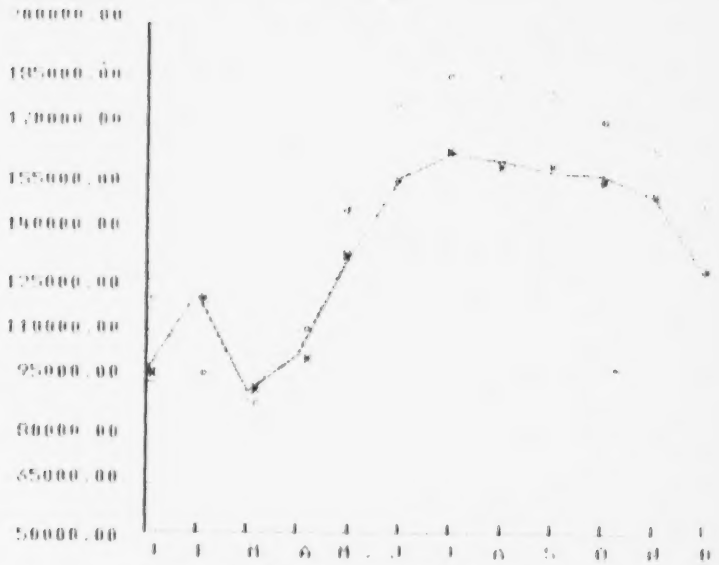
EXPENDITURES FOR NON RESIDENTIAL CONSTRUCTION

- 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	%+/-
JANUARY	83922.1	88383.1	5.3
FEBRUARY	80119.3	92186.6	10.5
MARCH	87282.9	87928.2	.5
APRIL	89861.7	86861.9	-3.3
MAY	86586.9	87379.1	.9
JUNE	87853.9	90682.9	3.2
JULY	90525.1	92971.4	2.7
AUGUST	90667.0	96670.3	6.6
SEPTEMBER	93332.6	98649.3	5.7
OCTOBER	93671.1	102787.5	9.7
NOVEMBER	95238.6	108969.7	14.4
DECEMBER	93184.8	114215.2	22.5

**CHOOSE one

SELECTED CHART 1978



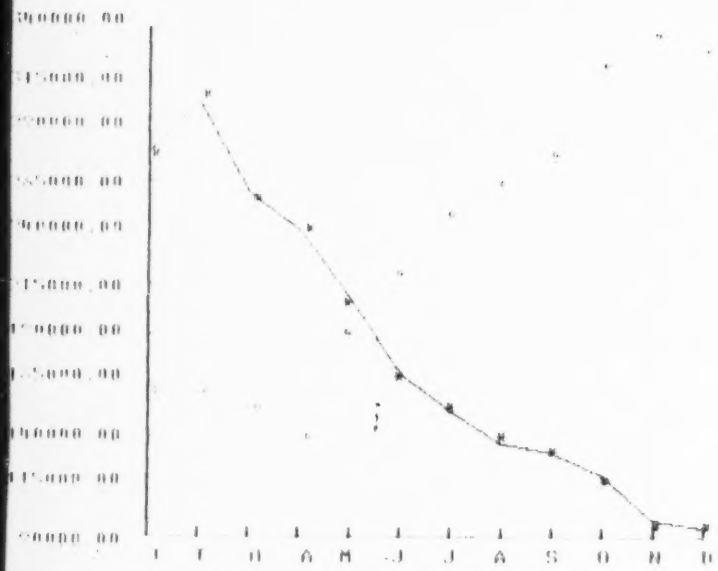
EXPENDITURES FOR RESIDENTIAL CONSTRUCTION

- 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	%+/-
JANUARY	112335.1	92592.0	-16.0
FEBRUARY	94979.0	190256.0	92.1
MARCH	89303.0	91701.0	2.6
APRIL	108994.0	102459.5	-6.0
MAY	120700.2	133502.0	10.1
JUNE	125870.0	150306.0	19.0
JULY	135115.2	151388.0	12.0
AUGUST	132230.0	159290.0	19.5
SEPTEMBER	127897.3	156203.1	22.1
OCTOBER	121632.5	150063.2	23.3
NOVEMBER	135000.0	147000.0	8.8
DECEMBER	140000.0	122779.0	-12.3

**CHOOSE one

SELECTED CHART 1978



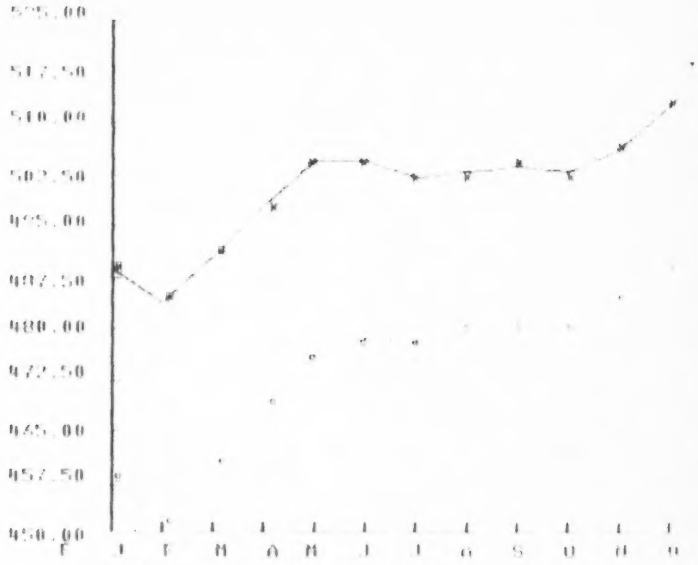
EXPENDITURES FOR PUBLIC WORKS AND
UTILITIES FACILITIES

* 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	CHA
JANUARY	158854.6	278895.0	75.6
FEBRUARY	159361.5	303407.0	90.4
MARCH	153945.0	257635.0	67.4
APRIL	138014.8	240037.4	73.7
MAY	189398.4	207178.0	9.4
JUNE	219078.4	169373.0	(22.7)
JULY	267707.9	150997.0	(43.8)
AUGUST	264376.2	135866.9	(48.8)
SEPTEMBER	274898.3	131436.1	(52.0)
OCTOBER	329053.4	120315.0	(63.4)
NOVEMBER	343896.8	98753.7	(28.7)
DECEMBER	329838.4	94667.9	(71.3)

**THOUSAND \$

PREPARED APRIL 1980



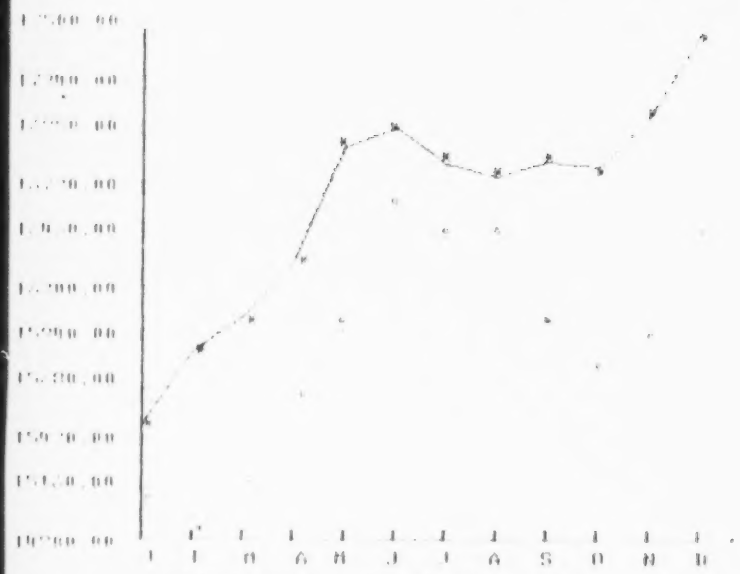
WHOLESALE AND RETAIL TRADE
EMPLOYMENT

* 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	CHA
JANUARY	457.2	486.5	6.4
FEBRUARY	457.2	485.6	6.2
MARCH	461.0	490.4	6.4
APRIL	467.0	497.3	6.4
MAY	476.0	504.4	6.0
JUNE	478.6	504.3	5.4
JULY	477.9	501.9	5.0
AUGUST	479.4	503.9	5.1
SEPTEMBER	481.0	503.6	4.7
OCTOBER	479.3	502.8	4.9
NOVEMBER	480.6	506.1	5.3
DECEMBER	480.2	512.6	6.7

**THOUSANDS

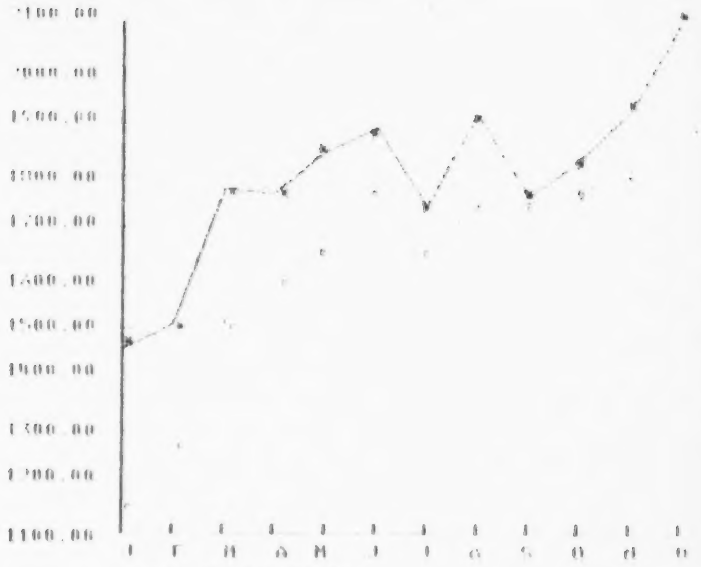
PREPARED APRIL 1980



AVERAGE PEOPLE HOURS PER WORK WEEK
IN WHOLESALE AND RETAIL TRADE

* 1978
* 1979

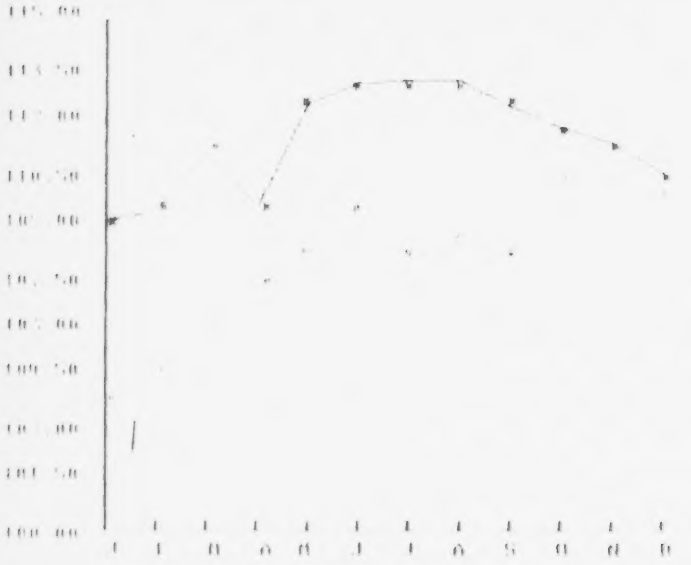
MONTH	DATA VALUE **		
	1978	1979	%+/-
JANUARY	15887.6	15485.5	-2.6
FEBRUARY	14923.6	15862.1	6.3
MARCH	15166.9	16036.1	5.7
APRIL	15668.6	16327.4	4.2
MAY	15993.6	16897.4	5.7
JUNE	16607.4	16994.9	2.3
JULY	16439.8	16813.7	2.3
AUGUST	16491.4	16746.6	1.5
SEPTEMBER	16817.3	16870.2	.3
OCTOBER	15769.8	16793.5	6.5
NOVEMBER	15983.3	17055.6	6.7
DECEMBER	16453.9	17429.2	5.9



TOTAL RETAIL SALES

* 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	%+/-
JANUARY	1163.0	1452.0	24.9
FEBRUARY	1258.0	1504.0	19.6
MARCH	1519.0	1721.0	13.3
APRIL	1594.0	1763.0	10.6
MAY	1658.0	1843.0	11.2
JUNE	1723.0	1891.0	9.7
JULY	1659.0	1738.0	4.8
AUGUST	1703.0	1919.0	12.7
SEPTEMBER	1741.0	1755.0	.8
OCTOBER	1721.0	1809.0	5.1
NOVEMBER	1[illegible].0	1[illegible].0	[illegible]
DECEMBER	[illegible].0	[illegible].0	[illegible]



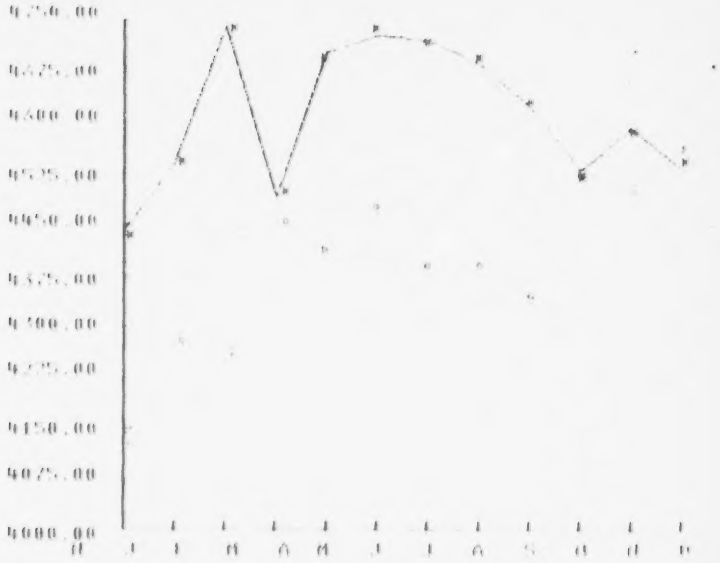
TRANSPORTATION, COMMUNICATION, AND
UTILITIES EMPLOYMENT

\+ 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	%+/-
JANUARY	105.9	102.1	-3.6
FEBRUARY	104.8	102.4	-2.3
MARCH	106.0	111.1	4.8
APRIL	102.1	102.5	.4
MAY	108.9	112.5	3.3
JUNE	107.5	113.1	5.2
JULY	108.1	113.2	4.7
AUGUST	108.5	113.2	4.3
SEPTEMBER	108.1	112.4	4.0
OCTOBER	110.1	111.8	1.5
NOVEMBER	110.2	111.4	1.1
DECEMBER	102.8	110.5	7.5

**=BLS DATA

PREPARED APRIL 1980



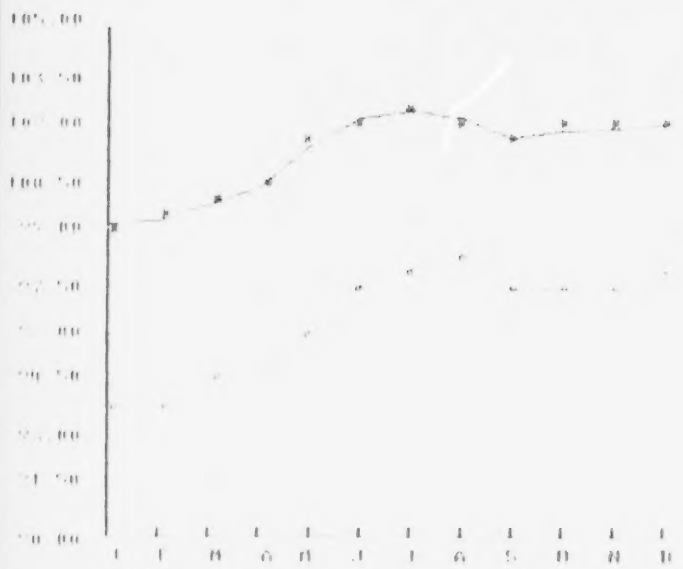
AVERAGE PEOPLE HOURS PER WORK WEEK
IN TRANSPORTATION COMMUNICATION,EGP

\+ 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	%+/-
JANUARY	41.5.2	4448.4	7.4
FEBRUARY	4.25.8	4500.1	5.7
MARCH	4.50.6	4.41.8	11.5
APRIL	4455.4	4482.5	.8
MAY	4411.2	4.02.5	5.6
JUNE	4464.6	4.22.6	5.8
JULY	4.51.1	4.20.4	7.8
AUGUST	4.50.3	4.06.5	5.6
SEPTEMBER	4.36.8	4.19.6	5.6
OCTOBER	4.52.2	4522.2	.0
NOVEMBER	4502.2	4502.1	-.0
DECEMBER	4524.2	4.30.5	-5.1

**=AVERAGE OF HOURS

PREPARED APRIL 1980



FINANCE, INSURANCE, AND REAL ESTATE

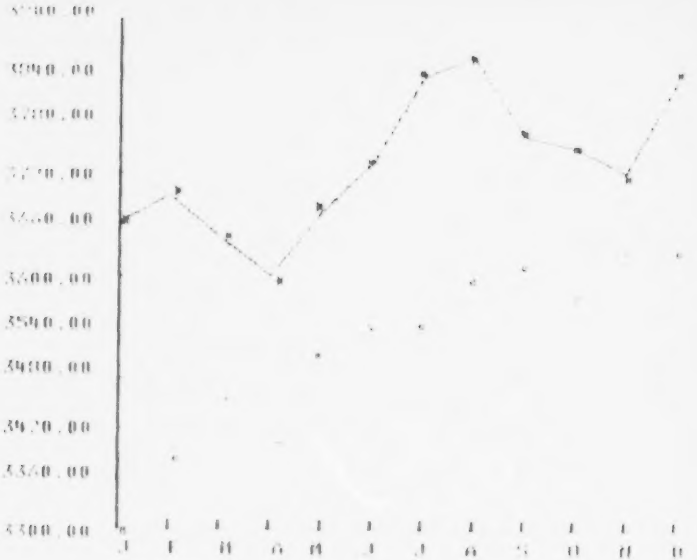
EMPLOYMENT

\+ 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	%CHA
JANUARY	93.8	99.2	5.8
FEBRUARY	93.9	99.3	5.8
MARCH	94.7	99.8	5.4
APRIL	94.9	100.3	5.7
MAY	95.8	101.5	5.7
JUNE	97.4	102.3	5.0
JULY	97.9	102.5	4.7
AUGUST	98.3	101.3	3.1
SEPTEMBER	97.3	101.7	4.5
OCTOBER	97.8	101.9	4.2
NOVEMBER	97.3	102.0	4.8
DECEMBER	97.6	102.1	4.6

**THOUSAND

PREPARED APRIL 1980



AVERAGE PEOPLE HOURS PER WORK WEEK

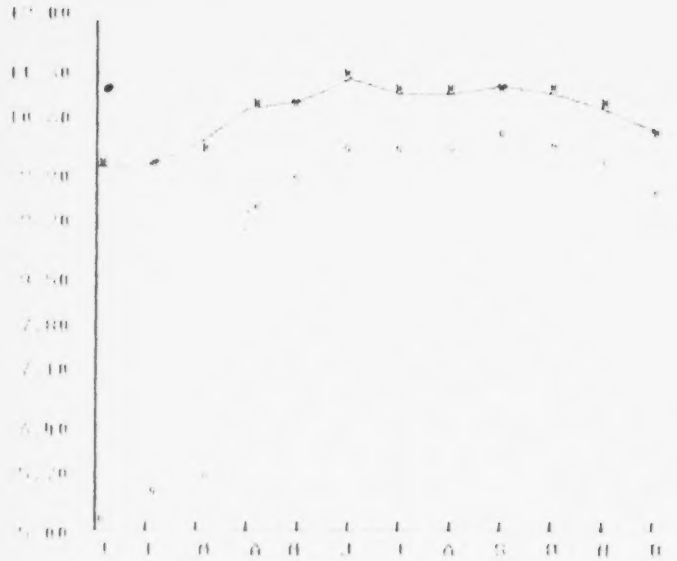
IN FINANCE, INSURANCE, REAL ESTATE

\+ 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	%CHA
JANUARY	3381.8	3660.5	10.9
FEBRUARY	3389.8	3599.0	9.0
MARCH	3856.6	3642.7	5.4
APRIL	3906.9	3600.8	5.7
MAY	3515.6	3674.3	6.6
JUNE	3535.6	3734.0	5.6
JULY	3536.2	3833.5	8.5
AUGUST	3592.8	3856.2	7.3
SEPTEMBER	3389.8	3763.9	9.9
OCTOBER	3528.9	3709.9	5.0
NOVEMBER	3617.6	3755.8	3.8
DECEMBER	3671.0	3838.8	4.2

**THOUSAND HOURS

PREPARED APRIL 1980



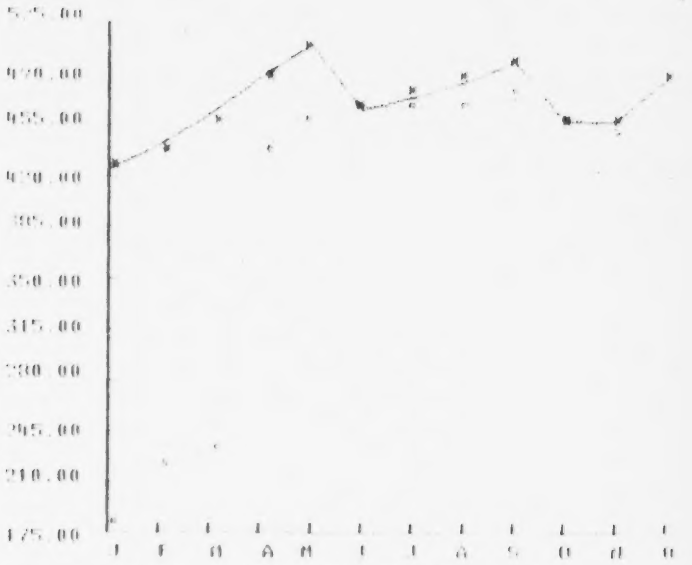
MINING EMPLOYMENT

o 1978
x 1979

MONTH	DATA VALUE **		
	1978	1979	%+/-
JANUARY	9.2	10.0	9.3
FEBRUARY	9.5	10.0	81.8
MARCH	9.7	10.3	88.7
APRIL	9.9	10.8	19.9
MAY	9.8	10.9	11.2
JUNE	10.2	11.2	9.8
JULY	10.2	11.0	7.8
AUGUST	10.2	11.0	7.8
SEPTEMBER	10.4	11.1	6.7
OCTOBER	10.3	11.0	6.8
NOVEMBER	10.1	10.8	6.9
DECEMBER	9.6	10.5	9.4

**THOUSANDS

PREPARED APRIL 1980



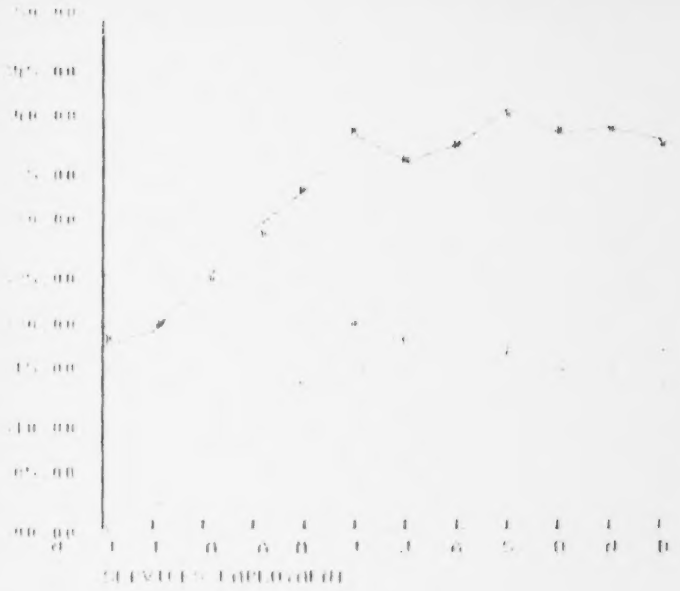
AVERAGE PEOPLE HOURS PER WORK WEEK IN MINING

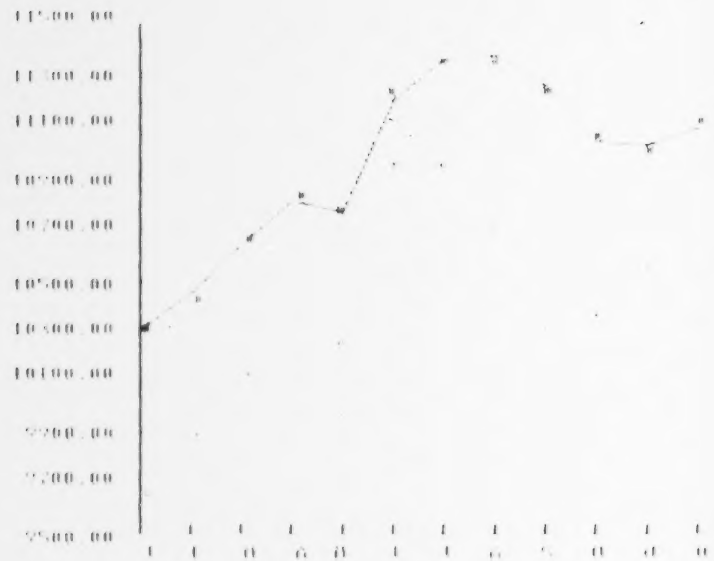
o 1978
x 1979

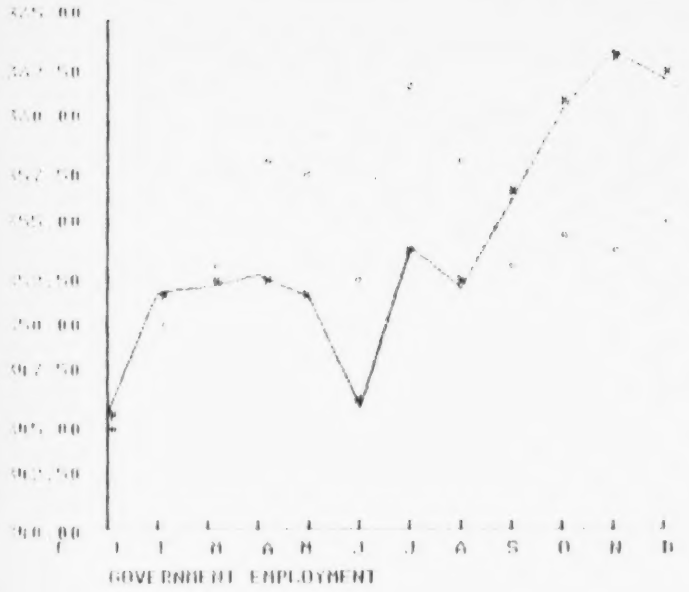
MONTH	DATA VALUE **		
	1978	1979	%+/-
JANUARY	429.9	494.0	15.2
FEBRUARY	499.5	999.8	100.5
MARCH	530.3	662.5	100.3
APRIL	537.1	597.3	11.5
MAY	541.6	589.3	10.9
JUNE	562.3	625.3	11.2
JULY	562.3	570.1	1.5
AUGUST	570.3	599.8	5.9
SEPTEMBER	579.3	598.3	5.1
OCTOBER	561.9	555.8	-1.0
NOVEMBER	557.5	562.3	1.0
DECEMBER	511.9	586.3	15.9

**THOUSAND HOURS

PREPARED APRIL 1980





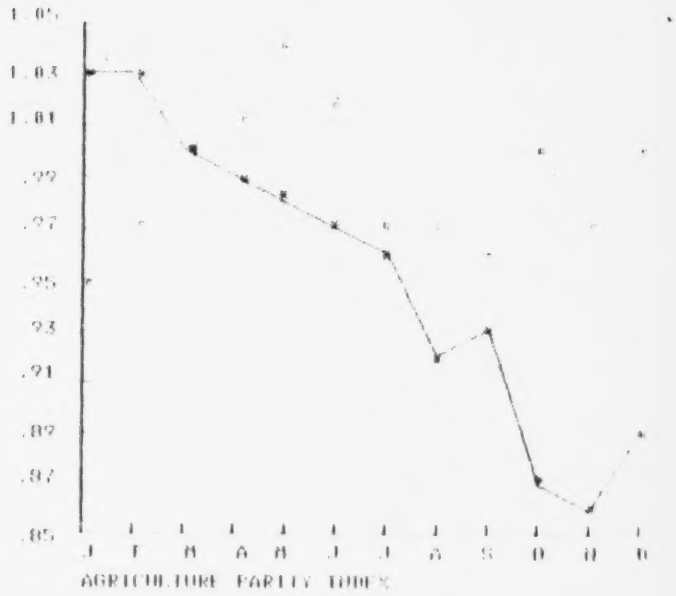


* 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	% CHANGE
JANUARY	349.2	345.7	-.9
FEBRUARY	349.9	351.6	.5
MARCH	353.1	352.0	(.3)
APRIL	350.1	350.5	(1.6)
MAY	357.5	351.9	(1.2)
JUNE	350.3	346.0	(1.8)
JULY	361.9	353.9	(2.2)
AUGUST	357.9	351.9	(1.7)
SEPTEMBER	353.2	356.2	.8
OCTOBER	350.9	360.6	2.7
NOVEMBER	353.7	363.0	2.7
DECEMBER	359.9	367.1	2.0

** THOUSANDS

PREPARED APRIL 1980

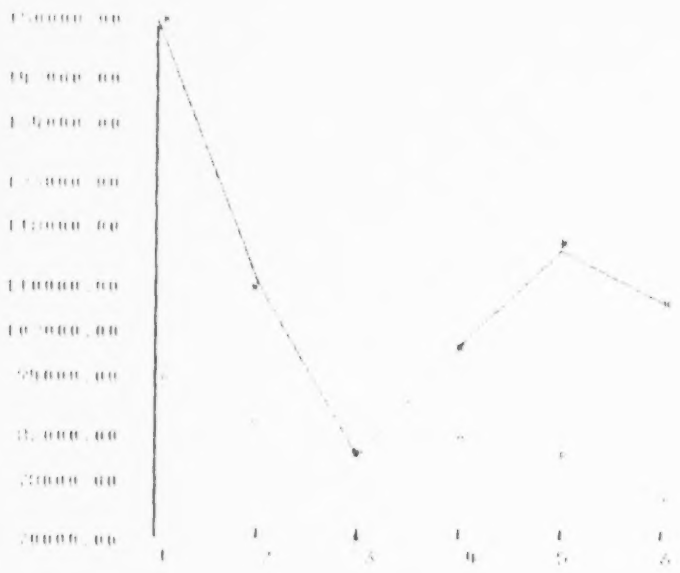


* 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	% CHANGE
JANUARY	.95	1.03	8.4
FEBRUARY	.97	1.03	6.2
MARCH	1.00	1.00	0.0
APRIL	1.01	.99	(2.0)
MAY	1.06	.98	(5.8)
JUNE	1.03	.97	(6.9)
JULY	.97	.96	(1.0)
AUGUST	.97	.93	(5.5)
SEPTEMBER	.96	.93	(3.1)
OCTOBER	1.00	.87	(13.0)
NOVEMBER	.97	.86	(11.3)
DECEMBER	1.00	.89	(11.0)

** PRICE RECEIVED INDEX

PREPARED APRIL 1980

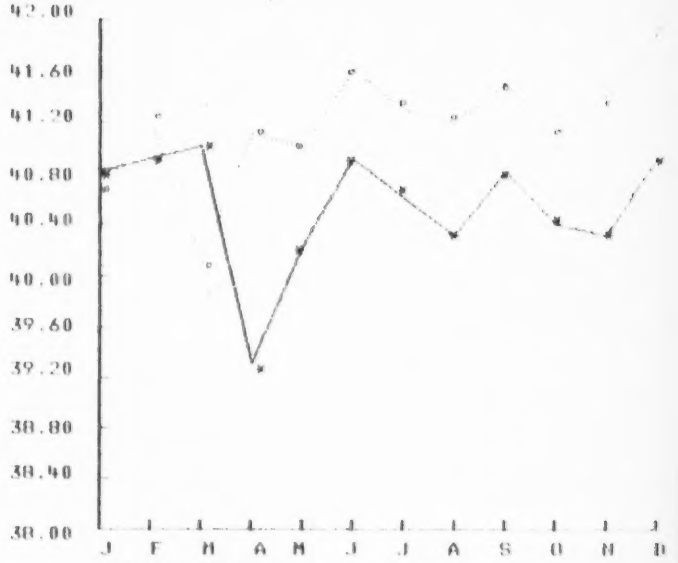


AGRICULTURAL EMPLOYMENT

- EARLY REPORTS EMPLOYED
- * TOTAL AGRICULTURAL EMPLOYMENT

QUARTER	DATA VALUE	
	*	
1 1978 III	154000	92000
IV	110000	80000
2 1979 I	85000	70000
II	100000	85000
III	115000	87000
IV	105000	72000
1978 AVERAGE	105000	82000
1979 AVERAGE	101250	79000

PREPARED APRIL 1980



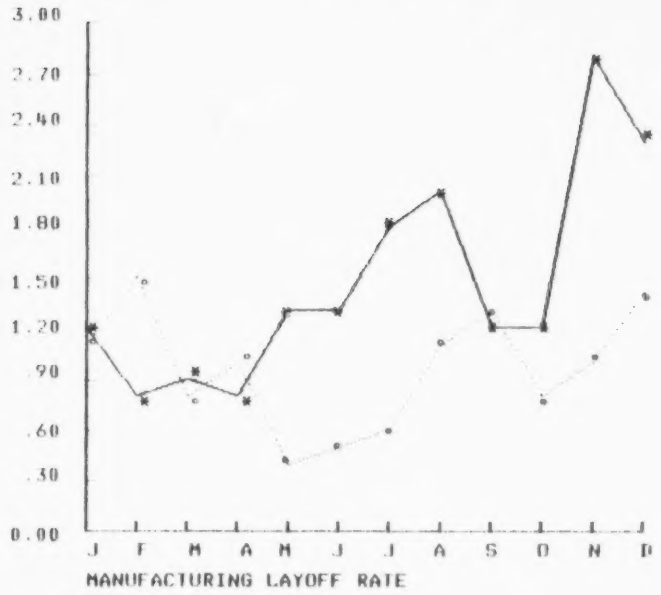
AVERAGE WORK WEEK IN MANUFACTURING

- 1978
- * 1979

MONTH	DATA VALUE **		
	1978	1979	+/-%
JANUARY	40.60	40.80	.5
FEBRUARY	41.20	40.90	(.7)
MARCH	40.10	41.00	2.2
APRIL	41.10	39.30	(4.4)
MAY	41.00	40.20	(2.0)
JUNE	41.60	40.90	(1.7)
JULY	41.30	40.60	(1.7)
AUGUST	41.20	40.30	(2.2)
SEPTEMBER	41.50	40.80	(1.7)
OCTOBER	41.10	40.40	(1.7)
NOVEMBER	41.40	40.30	(2.7)
DECEMBER	41.90	40.90	(2.4)

**HOURS

PREPARED APRIL 1980



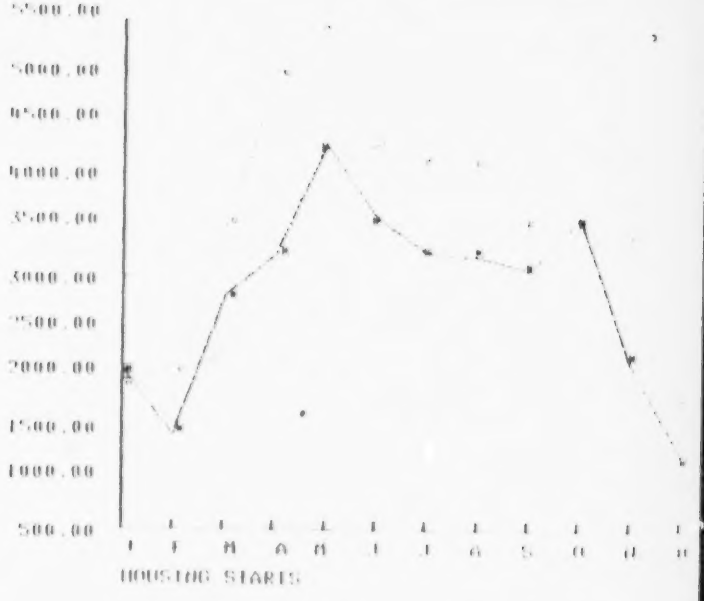
MANUFACTURING LAYOFF RATE

∘ 1978
× 1979

MONTH	DATA VALUE **		
	1978	1979	∘/∘Δ
JANUARY	1.10	1.20	9.1
FEBRUARY	1.50	.80	(46.7)
MARCH	.80	.90	12.5
APRIL	1.00	.80	(20.0)
MAY	.40	1.30	225.0
JUNE	.50	1.30	160.0
JULY	.60	1.80	200.0
AUGUST	1.10	2.00	81.8
SEPTEMBER	1.30	1.20	(7.7)
OCTOBER	.80	1.20	50.0
NOVEMBER	1.00	2.80	180.0
DECEMBER	1.40	2.30	64.3

**PER 100 WORKERS

PREPARED APRIL 1980



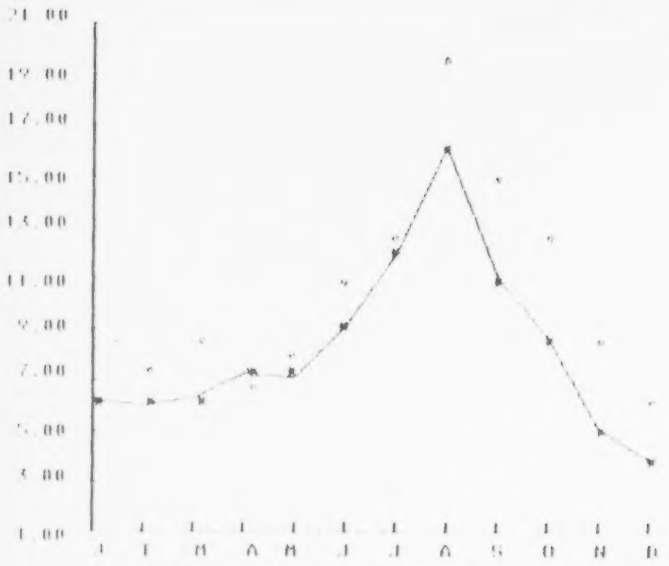
HOUSING STARTS

∘ 1978
× 1979

MONTH	DATA VALUE **		
	1978	1979	∘/∘Δ
JANUARY	1958.0	2050.0	4.8
FEBRUARY	2105.0	1447.0	(31.3)
MARCH	3451.0	2771.0	(19.7)
APRIL	4545.0	4307.0	(5.2)
MAY	5040.0	4538.0	(9.9)
JUNE	4308.0	3558.0	(17.4)
JULY	4191.0	3715.0	(11.4)
AUGUST	4041.0	3791.0	(6.2)
SEPTEMBER	3650.0	3859.0	(5.7)
OCTOBER	3580.0	3961.0	(10.6)
NOVEMBER	3350.0	3453.0	(3.1)
DECEMBER	1985.0	1953.0	(1.6)

**UNITS

PREPARED APRIL 1980



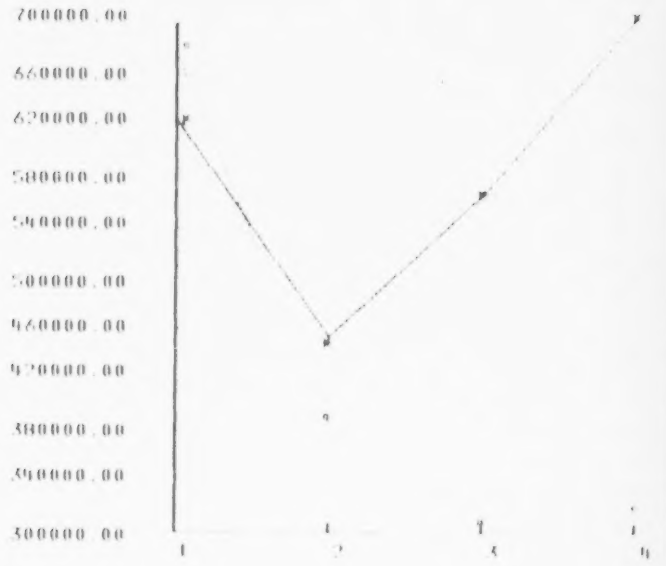
NON AGRICULTURAL PLACEMENT OF INDIVIDUALS

\- 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	[illegible]
JANUARY	5.20	6.20	5.1
FEBRUARY	7.20	6.00	(16.7)
MARCH	8.70	6.50	(22.6)
APRIL	6.50	7.70	4.3
MAY	8.00	7.10	(11.3)
JUNE	10.70	9.00	(15.9)
JULY	12.60	11.90	(5.6)
AUGUST	19.70	17.10	(13.3)
SEPTEMBER	14.70	10.90	(25.9)
OCTOBER	12.60	8.60	(31.7)
NOVEMBER	8.30	5.10	(38.6)
DECEMBER	5.30	5.20	(1.9)

**INDIVIDUALS

PREPARED APRIL 1980

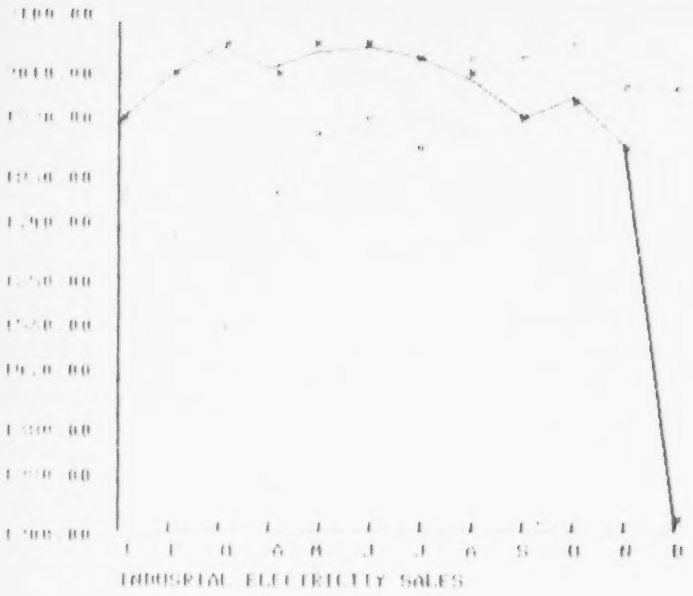


CONTINUED UNEMPLOYMENT CLAIMS

\- 1978
* 1979

QUARTER	DATA VALUE **		
	1978	1979	[illegible]
1 FIRST	625700	623900	(.4)
2 SECOND	388700	453700	16.7
3 THIRD	313100	366000	16.9
4 FOURTH	319400	286000	10.5

** WEEKS OF UNEMPLOYMENT
PREPARED APRIL 1980



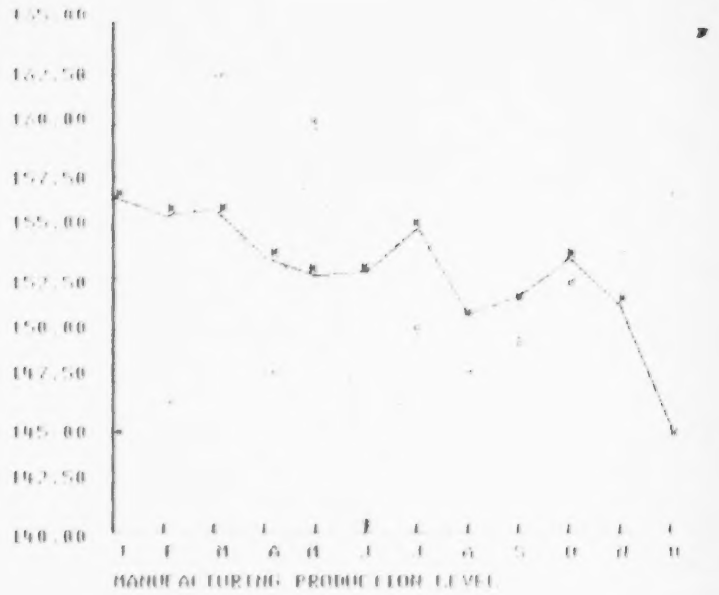
INDUSTRIAL ELECTRICITY SALES

* 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	%+A
JANUARY	1798.9	1922.0	6.8
FEBRUARY	1717.2	2003.7	16.7
MARCH	1565.6	2055.7	31.5
APRIL	1791.1	2015.5	12.5
MAY	1899.3	2046.5	7.8
JUNE	1919.9	2052.1	6.9
JULY	1826.9	2036.4	11.4
AUGUST	2021.6	1993.8	(1.4)
SEPTEMBER	2036.2	1939.8	(5.2)
OCTOBER	2048.0	1963.5	(4.1)
NOVEMBER	1988.6	1878.5	(5.5)
DECEMBER	1926.3	1787.1	(7.2)

**MILLION KWH

PEOPLE MEET HERE



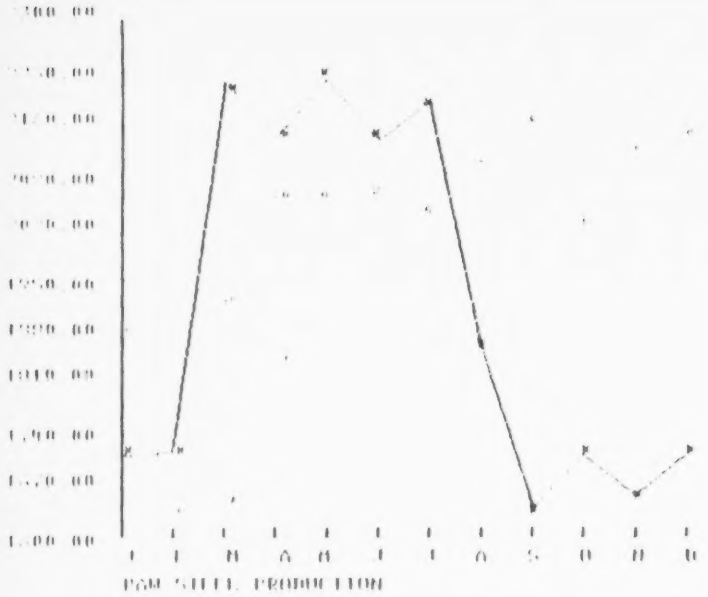
MANUFACTURING PRODUCTION LEVEL

* 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	%+A
JANUARY	156.2	156.4	.1
FEBRUARY	156.2	155.5	.4
MARCH	157.4	155.8	(1.1)
APRIL	154.8	156.4	1.0
MAY	153.1	152.6	(.3)
JUNE	152.3	152.8	.3
JULY	149.8	150.2	.2
AUGUST	147.9	150.7	1.9
SEPTEMBER	149.6	151.6	1.3
OCTOBER	153.3	153.6	.2
NOVEMBER	157.5	154.1	(2.2)
DECEMBER	156.5	145.2	(7.2)

**1977 100

PEOPLE MEET HERE



PGM STEEL PRODUCTION

\- 1978
* 1979

MONTH	DATA VALUE **		
	1978	1979	< -A
JANUARY	1821.8	1210.3	< 33.5>
FEBRUARY	1765.2	1715.4	2.8
MARCH	1979.8	2216.0	12.9
APRIL	2041.5	2190.9	7.3
MAY	2041.3	2118.8	3.8
JUNE	2023.1	2156.1	6.6
JULY	2039.9	2185.3	7.1
AUGUST	2108.0	1868.5	< 11.4>
SEPTEMBER	2153.9	1941.8	< 9.8>
OCTOBER	2032.3	1711.2	< 15.8>
NOVEMBER	2115.3	1647.2	< 22.1>
DECEMBER	2153.3	1713.3	< 20.4>

**THOUSAND NET TONS

PREPARED APRIL 1980

1. Aug. 27. 80

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INDIANA'S ECONOMY

INDIANA DEPARTMENT OF COMMERCE
LIEUTENANT GOVERNOR ROBERT D. ORR, DIRECTOR
DONALD W. MOREAU, EXECUTIVE DIRECTOR

RESEARCH AND ECONOMIC DEVELOPMENT PLANNING GROUP
TAD PERRY, GROUP DIRECTOR

AUGUST 1980

(Includes Data Through May, 1980)

The purpose of this report is to provide a brief overview of Indiana's economy for the first five months of 1980. Sections of this report will address specific developments in economic activity. The analysis will rely on leading and overall indicators to measure functioning in individual sectors and the state's economy as a whole.

Overall Indicators

Indiana's overall indicators of economic activity include personal income, aggregate employment and the unemployment rate. Changes in these variables generally accompany fluctuations in the state's overall economy.

The preliminary estimate for personal income in the first quarter of 1980 was $49.6 billion. This figure represents a 2.1 percent increase over the previous quarter and a 9.7 percent increase over the first quarter of 1979. U.S. increases in total personal income were 2.6 percent and 11 percent for the corresponding periods. Among individual states, Indiana ranked 39th for increase in total personal income for the period from fourth quarter 1979 to first quarter 1980, and 41st for the period from first quarter 1979 to first quarter 1980. Increases in personal income derived from mining and manufacturing reached 8.5 percent and one percent respectively for the period from fourth quarter 1979 to first quarter 1980. Income from construction, services, and government employment increased 4.3 percent, 2.5 percent and 1.2 percent respectively.

Indiana's seasonally adjusted unemployment rate reached 11.2 percent in May, while the U.S. rate stood at 7.8 percent of the labor force. Since Indiana's unemployment preceeds generally the national level of unemployment, substantial increases in Indiana unemployment during recent months suggest that the national rate may continue to increase in the near future also.

The May estimate for aggregate employment stood at 2.39 million, an increase of 6,900 above the previous month. The labor force estimate also increased in May, reaching 2.67 million. During the same period, U.S. aggregate employment rose 143,000, attaining a level of 96.71 million in May. The nation's labor force also increased in May, attaining 104.3 million persons.

Individual Sectors

The May 1980 estimate for manufacturing employment stood at 686,100 persons. This figure represents a decline of 0.69 percent from the previous quarter and an 8.56

percent drop from May 1979. The May decline in manufacturing employment combined with a slight drop in the average work week per person resulted in a 1.2 percent decrease in manufacturing work input over the previous month.

The durable goods industry sustained the bulk of this decline in manufacturing. Durable goods manufacturing comprises approximately 76 percent of Indiana's total manufacturing employment, and is usually considered an indication of future movement in Indiana's overall economy. In May, durable goods manufacturing employment experienced a 0.98 percent decline over the previous month, and a 9.8 percent drop below the May 1979 level. This employment decline coupled with a slight drop in the average work week resulted in a 1.9 percent decrease in the May durable goods manufacturing work input.

Within the durable goods manufacturing sector, employment growth was experienced in the transportation equipment industry, which achieved an 8.2 percent increase over the previous month. Within this sector, automotive and parts firms increased employment by 16.3 percent. Negative growth occurred in other categories of durable goods employment, most notably in the electrical machinery industry. Here, employment declined by 6.3 percent while the subcategories of electronic components for communication and electrical equipment for transportation dropped by 7.3 percent and 7.1 percent respectively.

Contract construction employment increased by 6,700 persons from April to May 1980, a gain of 6.6 percent. This gain, combined with a 4.8 percent increase in the average work week per person resulted in an 11.7 percent higher work input for May. Construction employment declined 1.6 percent from May 1979 to May 1980, however. Along with a slight decline in the average work week, this change produced a 2.6 percent drop in work input for the one year period.

Expenditures for residential construction have experienced a consistent pattern of decline since July 1979. This trend cannot be entirely attributed to seasonal fluctuations, as spring expenditures show no recovery. The May estimate of $7.3 million represents a 53.2 percent decline below the previous month and a 94.4 percent drop from the May 1979 figure. The May 1980 level of non-residential expenditures stood at $83.47 million, a drop of 12.4 percent below the April estimate, and 4.47 percent below the May 1979 level.

Expenditures for construction of public works and utilities facilities continued a pat-

tern of decline that began in the first quarter of 1979. May expenditures fell to $38.1 million, a 15.7 percent decline below the previous month. The May 1980 level of expenditures represents an 81.6 percent decrease from the May 1979 figure. Depressed spending in this area may be partially attributed to work stoppages sustained in the construction of the Marble Hill nuclear power plant near Madison, Indiana.

Employment in the wholesale and retail trade sector rose to 497,600 in May. Although this figure represents a 0.99 percent increase over the previous month, a slight decline has occured during the past year. May 1980 employment in wholesale and retail trade was 1.3 percent below the May 1979 level. A similar pattern can be identified in this sector's total work input. While work input rose 0.015 percent from April to May 1980, a decline of 7.8 percent from May 1979 to May 1980 occured. Throughout the one year period, the average work week in wholesale and retail trade has remained low, ranging from 33.5 hours in May 1979 to 31.3 hours in May 1980. Total retail sales stood at $1.66 billion dollars in April 1980. This level represents a two percent increase above the March estimate, though a 5.7 percent drop occured in the period from April 1979 to April 1980.

Transportation, communication, and utilities (T.C.U.) employment dropped 0.63 percent from April to May 1980. The May 1980 estimate of 109,600 persons represents a 2.6 percent decline below the May 1979 level. Despite the May employment decline, an increase in the average work week per person to 41.2 hours has allowed total work input to rise by 3.4 percent over the previous month.

Employment in finance, insurance, and real estate (F.I.R.E.) has comprised a relatively stable trend in recent months. F.I.R.E. employment stood at 102,400 persons in May 1980. This level represents a 0.09 percent decline from the April 1980 level and an increase of 0.89 percent above the May 1979 level. In conjunction with mild increases in the average work week per person, these employment changes have provided 0.72 percent and 0.11 percent increases in work input respectively, for the above periods.

Indiana's mining industry employed 11,100 persons in May 1980. This level represents an increase of 1.8 percent above the April 1980 estimate and a 1.8 percent increase from May 1979. In conjunction with a mildly declining average work week per person, these changes have produced a 1.4 percent increase and a 1.1 percent decline for the above periods, respectively.

Service industry employment has increased steadily since January 1980. The May estimate of 350,900 persons is a 1.3 percent increase above the previous month's level. Due to a mild decline in the average work week per person, work input fell by 0.22 percent. The period from May 1979 to May 1980 yielded a 5.3 percent increase in services employment. This increase along with a slightly lower average work week per person provided a five percent increase in work input for the one year period.

Indiana government employment increased 6.8 percent from April 1980 to May 1980 attaining a level of 366,700 persons. The May 1980 estimate also represents a 4.3 percent increase above the May 1979 figure. A temporary freeze on government employment enacted July 21, will depress increases in state employment through the upcoming months. Since the Indiana State Government provides salaried employment, no hourly figures are available.

Agricultural employment in the second quarter of 1980 reached 93,000 total workers, an increase of 19.2 percent above the previous quarter. The second quarter 1980 figure is a seven percent decline from the second quarter of 1979. Further, 69.9 percent of the latest estimate is comprised of family workers. The remaining 28,000 hired employees represent a 55.6 percent increase over the previous quarter and a 100 percent increase above the second quarter of 1979.

In June 1980, the Indiana farmer received an 83 cent return on each dollar of agricultural expenditure. Although it is a 1.2 percent increase above the May 1980 estimate, this figure represents a 14.4 percent decline below the Hoosier farmer's purchasing power in June of 1979.

Leading Indicators

Four variables will be presented as leading indicators of economic activity in the following analysis. Fluctuations in the average work week in manufacturing, the layoff rate in manufacturing, housing starts, and non-agricultural placements generally preceed changes in overall economic conditions. These factors and their implications for the future of Indiana's economy will thus comprise the focus of our analysis.

The May estimate of the average work week per person in manufacturing stood at 39.2 hours, a 0.5 percent decrease below the previous month and a drop of 2.4 percent from the May 1979 average. In conjunction with employment declines through the same

period, this data suggests that employers have transitioned production downward in response to falling product demand.

Indiana's manufacturing layoff rate has been consistently higher than the U.S. rate during the past one year period. The Indiana rate stood at 3.1 persons per 100 in April 1980 compared with a U.S. rate of 2.3 persons. The Indiana manufacturing layoff rate increased by 2.3 persons from April 1979 to April 1980, while the U.S. rate rose by 1.4 persons. April recessionary declines were most severely experienced in durable goods manufacturing. Here, layoffs were highest in electrical machinery and auto-related components manufacturing.

The construction industry recorded 1,786 residential housing starts in May 1980. This estimate represents a drop of 58.3 percent below the May 1979 level. Recent interest rate declines have thus far failed to stimulate the residential housing market.

Indiana's individual non-agricultural placements fell to 4,246 in May 1980, a 13.5 percent decline below the previous month and a drop of 40.2 percent from the May 1979 level. The above data reveals that the individual employment search has become increasingly difficult in recent months.

Since 30.7 percent of Indiana's non-agricultural employment is comprised of manufacturing workers, manufacturing production is an important variable for consideration. Fluctuations in the manufacturing production level often preceed corresponding changes in general economic activity. The manufacturing production index utilizes 1967 as a base year where 9.4 billion units equals one hundred percent. Thus an index of 110 would be provided in a year where production exceeded the 1967 level by 10 percent. The May 1980 index stood at 140.2, a decline of 6.6 from the previous month and a drop of 12.4 below the May 1979 estimate.

Recent changes in manufacturing production have been accompanied by declining industrial electricity sales. The May 1980 estimate of 1.7 billion kilowatt hours (KWH) represents a 5.4 percent decline below the April 1980 figure and a drop of 15 percent from the May 1979 sales figure. Though partially the result of declining manufacturing production, energy conservation efforts may have influenced industrial electricity sales also.

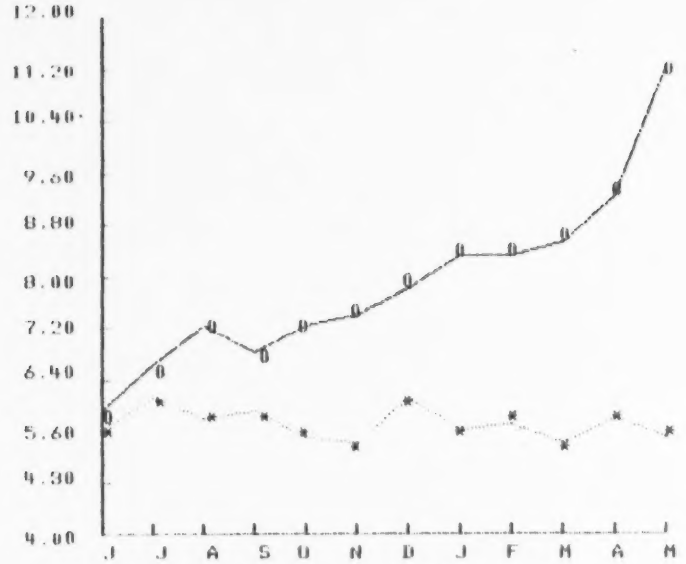
The steel industry provides a major export product within Indiana's manufacturing sector, as well as an important source of employment. The May 1980 level of raw steel

production reached 1.49 million tons. This output represents a drop of 17.3 percent from the April 1980 level and a decline of 32.5 percent below the May 1979 volume.

Conclusion

Despite Indiana's economic diversity, a heavy concentration in manufacturing has contributed substantially to declining economic activity. Manufacturers' downward transition of production in reponse to declining demand for durable goods has contributed to increased unemployment in recent months. In May 1979, 33 percent of Indiana's employed were involved in manufacturing, while only 30.7 percent of Indiana's May 1980 workers were manufacturing employees. A similar pattern has emerged in durable goods manufacturing industries, as the concentration of durable goods manufacturing employees has declined from 25.6 percent of Indiana's employed in May 1979 to 23.4 percent in May 1980. These declines reflect Indiana's substantial concentration in manufacturing which make the economy suceptible to declining consumer expenditures.

Indiana's strength in non-manufacturing sectors has helped to maintain stability in recessionary periods. This feature is underscored by an increase of 23,500 employees in non-manufacturing industries from May 1979 to May 1980. Finance, insurance and real estate firms along with service industries have been major contributors to this growth pattern. It is hoped that stabilizing interest rates accompanied by increased demand for consumer durables will restore previous levels of growth to manufacturing firms in the upcoming months.



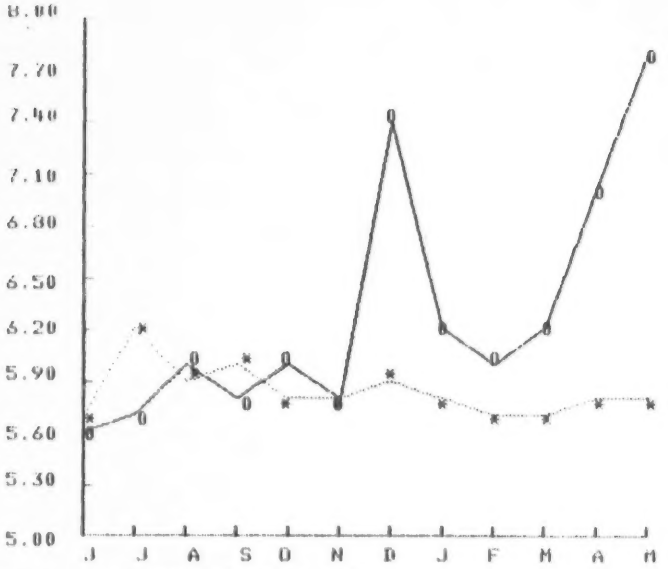
UNEMPLOYMENT RATE (SEASONALLY ADJ.)

* :1978 - 1979
0 :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
JUNE	5.60	5.90	5.36
JULY	6.10	6.60	8.20
AUGUST	5.80	7.20	24.14
SEPTEMBER	5.90	6.80	15.25
OCTOBER	5.50	7.20	30.91
NOVEMBER	5.40	7.40	37.04
DECEMBER	6.10	7.80	27.87
JANUARY	5.60	8.30	48.21
FEBRUARY	5.70	8.30	45.61
MARCH	5.40	8.50	57.41
APRIL	5.80	9.20	58.62
MAY	5.50	11.20	103.64

**PERCENT

PREPARED JULY 1980



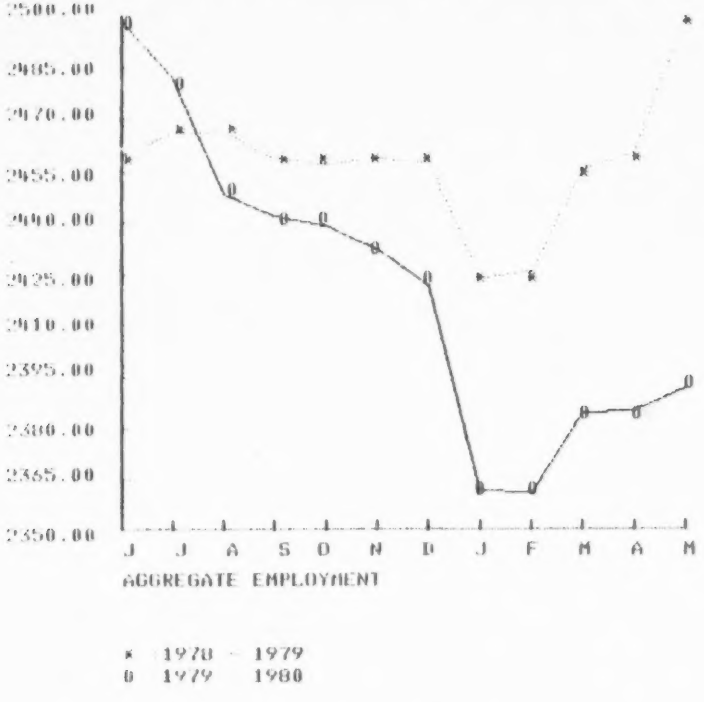
U.S. UNEMPLOYMENT RATE
(SEASONALLY ADJ.)

* :1978 - 1979
0 :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
JUNE	5.70	5.60	(1.75)
JULY	6.20	5.70	(8.06)
AUGUST	5.90	6.00	1.69
SEPTEMBER	6.00	5.80	(3.33)
OCTOBER	5.80	6.00	3.45
NOVEMBER	5.80	5.80	0.00
DECEMBER	5.90	7.40	25.42
JANUARY	5.80	6.20	6.90
FEBRUARY	5.70	6.00	5.26
MARCH	5.70	6.20	8.77
APRIL	5.80	7.00	20.69
MAY	5.80	7.80	34.48

**PERCENT

PREPARED JULY 1980



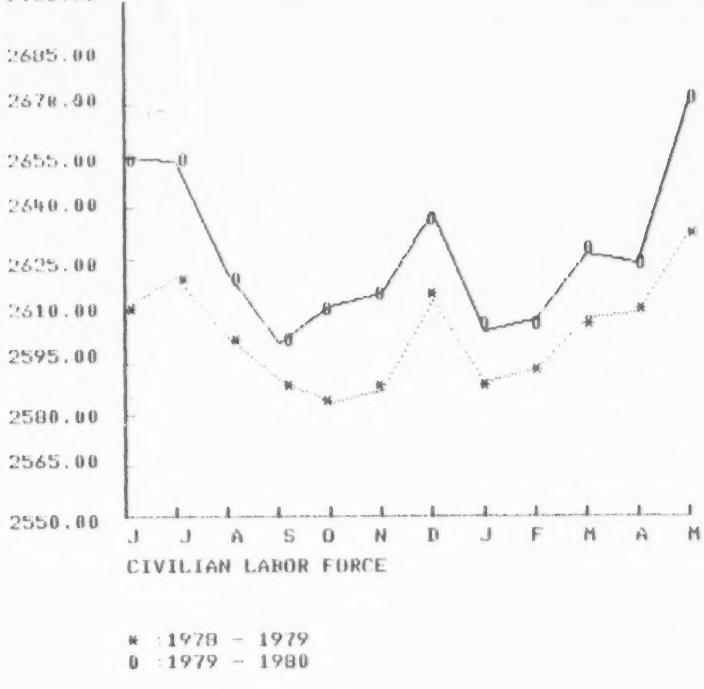
AGGREGATE EMPLOYMENT

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
JUNE	2459.60	2498.20	1.57
JULY	2466.20	2482.00	.64
AUGUST	2466.10	2447.70	(.75)
SEPTEMBER	2458.40	2441.40	(.69)
OCTOBER	2456.50	2438.80	(.72)
NOVEMBER	2458.50	2431.50	(1.10)
DECEMBER	2457.20	2421.30	(1.46)
JANUARY	2423.40	2361.50	(2.55)
FEBRUARY	2425.20	2361.10	(2.64)
MARCH	2455.30	2383.90	(2.91)
APRIL	2459.40	2384.40	(3.05)
MAY	2478.90	2391.30	(4.31)
TOTAL AVE.	2457.06	2420.26	(1.50)

**THOUSANDS

PREPARED JULY 1980



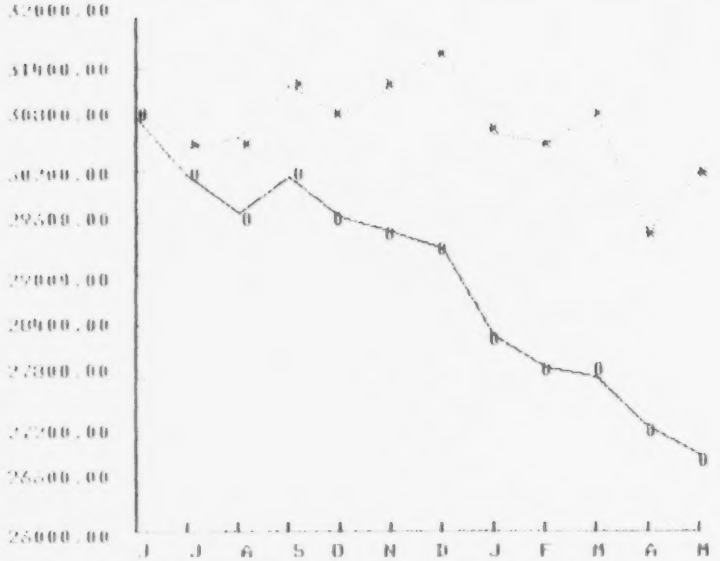
CIVILIAN LABOR FORCE

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
JUNE	2610.80	2654.50	1.67
JULY	2619.40	2653.40	1.30
AUGUST	2602.10	2620.80	.72
SEPTEMBER	2590.30	2600.60	.40
OCTOBER	2583.60	2610.90	1.06
NOVEMBER	2587.00	2614.40	1.06
DECEMBER	2612.60	2638.10	.98
JANUARY	2588.80	2603.70	.58
FEBRUARY	2592.80	2606.80	.54
MARCH	2607.50	2625.90	.71
APRIL	2609.10	2623.30	.54
MAY	2632.40	2670.70	1.45
TOTAL AVE.	2603.03	2626.93	.92

**THOUSANDS

PREPARED JULY 1980



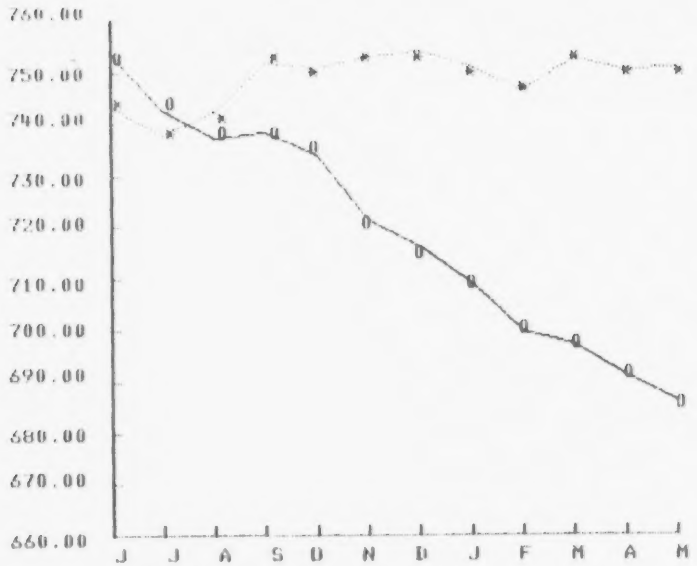
AVERAGE PEOPLE HOURS PER WORK WEEK
IN MANUFACTURING

* 1978 1979
0 1979 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
JUNE	30912.96	30818.15	(.31)
JULY	30467.01	30141.44	(1.07)
AUGUST	30570.64	29701.10	(2.87)
SEPTEMBER	31187.25	30114.40	(3.44)
OCTOBER	30041.44	29645.52	(3.88)
NOVEMBER	31157.64	29484.81	(5.37)
DECEMBER	31575.84	29284.40	(7.26)
JANUARY	30624.48	28281.12	(7.65)
FEBRUARY	30515.49	27906.06	(8.55)
MARCH	30836.10	27806.31	(9.83)
APRIL	29475.00	27221.46	(7.65)
MAY	30162.06	26895.12	(10.83)
TOTAL AVE.	30694.49	28941.66	(5.71)

**THOUSANDS

PREPARED JULY 1980



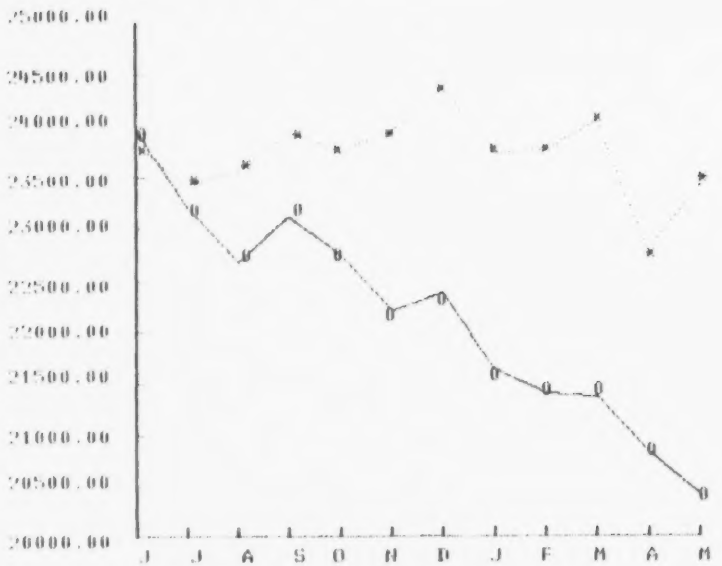
MANUFACTURING EMPLOYMENT

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
JUNE	743.10	753.50	1.40
JULY	737.70	742.40	.64
AUGUST	742.20	737.00	(.70)
SEPTEMBER	751.50	738.10	(1.78)
OCTOBER	750.40	733.80	(2.21)
NOVEMBER	752.60	720.90	(4.21)
DECEMBER	753.60	716.00	(4.99)
JANUARY	750.60	708.80	(5.57)
FEBRUARY	746.10	699.40	(6.26)
MARCH	752.10	696.90	(7.34)
APRIL	750.00	690.90	(7.80)
MAY	750.30	686.10	(8.56)
TOTAL AVE.	748.35	718.65	(3.97)

**THOUSANDS

PREPARED JULY 1980



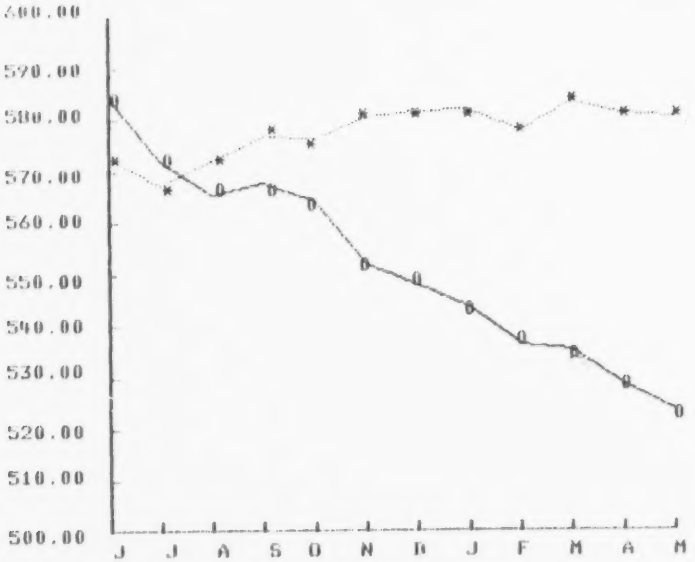
AVERAGE PEOPLE HOURS PER WORK WEEK
IN DURABLE GOODS MANUFACTURING

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	*/*Δ
JUNE	23811.84	23956.36	.61
JULY	23417.10	23219.14	(.85)
AUGUST	23562.28	22664.52	(3.81)
SEPTEMBER	23920.90	23093.18	(3.49)
OCTOBER	23743.56	22733.23	(4.26)
NOVEMBER	23912.48	22190.40	(7.20)
DECEMBER	24352.20	22358.40	(8.19)
JANUARY	23725.20	21627.32	(8.84)
FEBRUARY	23739.36	21386.40	(9.91)
MARCH	24019.60	21346.50	(11.13)
APRIL	22775.20	20826.84	(8.55)
MAY	23390.12	20412.60	(12.73)
TOTAL AVE.	23698.16	22151.24	(6.53)

**THOUSAND HOURS

PREPARED JULY 1980



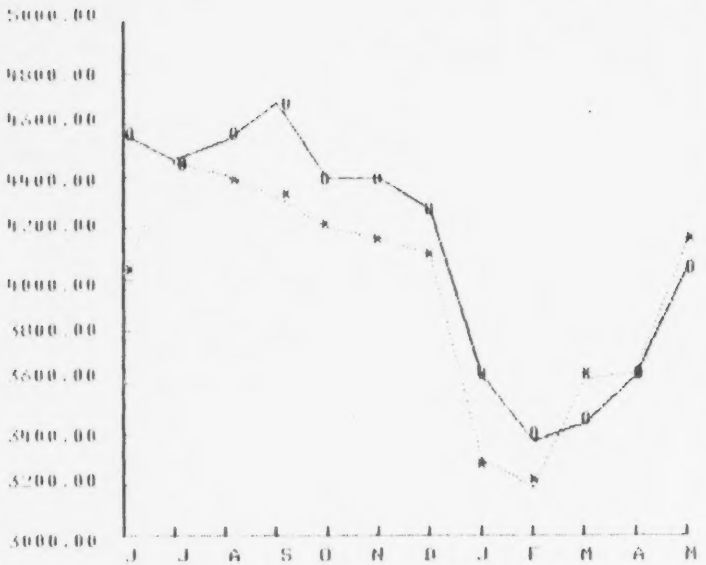
MANUFACTURING OF DURABLE GOODS
EMPLOYMENT

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	*/*Δ
JUNE	572.40	584.30	2.08
JULY	567.00	571.90	.86
AUGUST	571.90	565.20	(1.17)
SEPTEMBER	576.60	567.40	(1.60)
OCTOBER	576.30	564.10	(2.12)
NOVEMBER	580.40	552.00	(4.89)
DECEMBER	581.20	548.00	(5.71)
JANUARY	581.50	543.40	(6.55)
FEBRUARY	577.60	536.00	(7.20)
MARCH	583.00	535.00	(8.23)
APRIL	581.00	528.60	(9.02)
MAY	580.40	523.40	(9.82)
TOTAL AVE.	577.44	551.61	(4.47)

**THOUSANDS

PREPARED JULY 1980



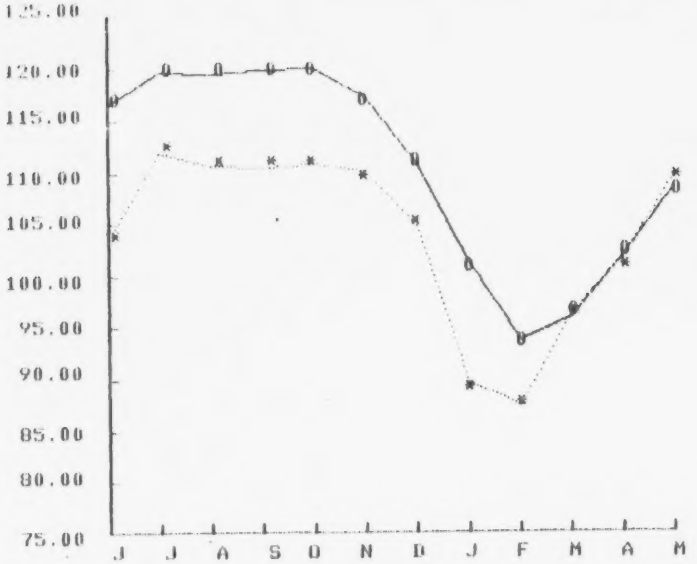
AVERAGE PEOPLE HOURS PER WORK WEEK
IN CONSTRUCTION

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
JUNE	4026.20	4559.00	13.23
JULY	4449.60	4457.40	.18
AUGUST	4397.90	4533.40	3.08
SEPTEMBER	4316.60	4676.40	8.34
OCTOBER	4199.30	4388.30	4.50
NOVEMBER	4150.00	4383.30	5.60
DECEMBER	4087.20	4265.80	4.37
JANUARY	3292.00	3623.00	10.05
FEBRUARY	3190.10	3363.80	5.44
MARCH	3607.50	3433.20	(4.83)
APRIL	3630.10	3617.00	(.36)
MAY	4146.30	4039.60	(2.57)
TOTAL AVE.	3957.80	4111.68	3.89

**THOUSANDS

PREPARED JULY 1980



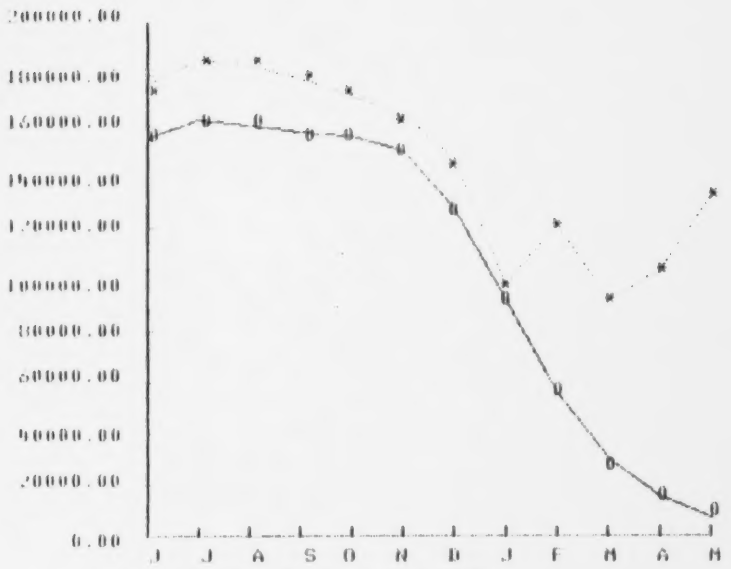
CONSTRUCTION EMPLOYMENT

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
JUNE	103.50	116.30	12.37
JULY	111.80	119.50	6.89
AUGUST	110.50	119.30	7.96
SEPTEMBER	110.40	119.60	8.33
OCTOBER	110.80	119.90	8.21
NOVEMBER	110.10	117.20	6.45
DECEMBER	104.80	110.80	5.73
JANUARY	89.70	101.20	12.82
FEBRUARY	87.40	93.70	7.21
MARCH	96.20	95.90	(.31)
APRIL	101.40	101.60	.20
MAY	109.40	108.30	(1.01)
TOTAL AVE.	103.83	110.28	6.20

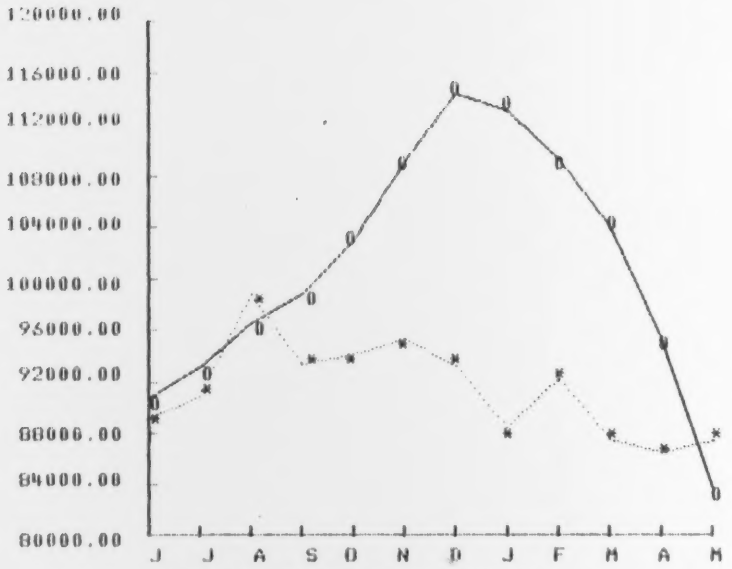
**THOUSANDS

PREPARED JULY 1980



EXPENDITURES FOR RESIDENTIAL CONSTRUCTION

* 1978 - 1979
0 1979 - 1980



EXPENDITURES FOR NON-RESIDENTIAL CONSTRUCTION

* :1978 - 1979
0 :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
JUNE	175879.80	154808.00	(11.98)
JULY	185115.30	162188.00	(12.39)
AUGUST	182738.40	159984.40	(12.45)
SEPTEMBER	177892.30	156703.10	(11.91)
OCTOBER	171637.60	155463.70	(9.42)
NOVEMBER	163565.00	149439.10	(8.64)
DECEMBER	146830.90	126774.00	(13.66)
JANUARY	97597.00	91697.60	(6.04)
FEBRUARY	120756.00	55512.30	(54.03)
MARCH	91701.00	30123.10	(67.15)
APRIL	102469.50	15620.00	(84.75)
MAY	131507.00	7312.20	(94.44)
TOTAL AVE.	145640.82	105469.46	(27.58)

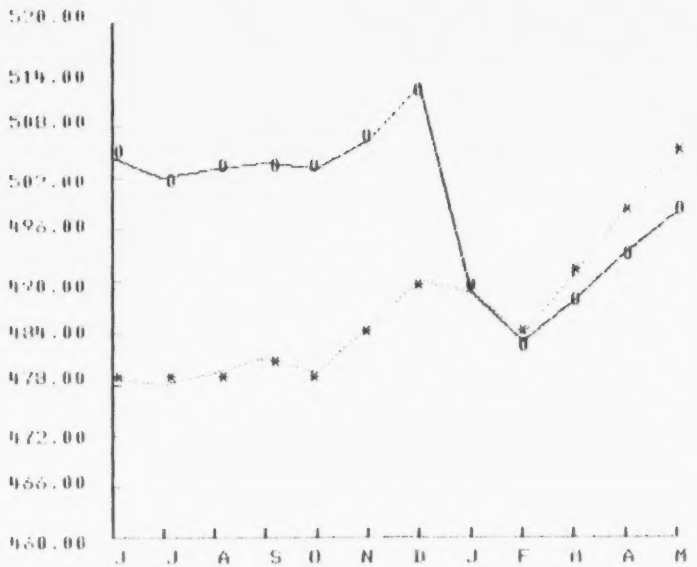
**THOUSAND $

PREPARED JULY 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
JUNE	89053.90	90682.40	1.83
JULY	90875.10	92971.40	2.31
AUGUST	98667.00	96470.30	(2.23)
SEPTEMBER	93332.60	98664.80	5.71
OCTOBER	93971.10	102707.50	9.30
NOVEMBER	95238.60	108969.70	14.42
DECEMBER	93184.80	114216.20	22.57
JANUARY	88383.10	113021.80	27.88
FEBRUARY	92186.60	109103.90	18.35
MARCH	87420.20	103910.40	18.86
APRIL	86461.40	95340.50	10.27
MAY	87379.10	83476.00	(4.47)
TOTAL AVE.	91346.13	100794.58	10.34

**THOUSAND $

PREPARED JULY 1980



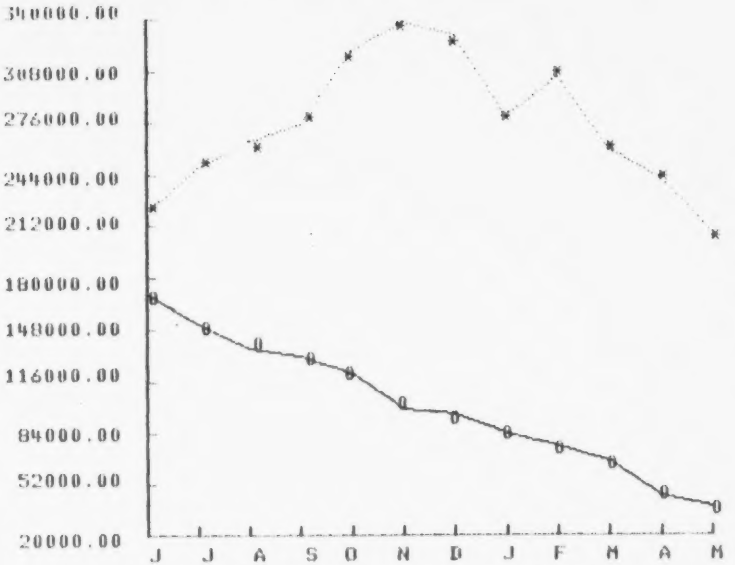
WHOLESALE AND RETAIL TRADE
EMPLOYMENT

* :1978 - 1979
0 :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
JUNE	478.60	504.30	5.37
JULY	477.90	501.90	5.02
AUGUST	479.40	502.90	4.90
SEPTEMBER	481.00	503.60	4.70
OCTOBER	479.30	502.80	4.90
NOVEMBER	484.60	506.10	4.44
DECEMBER	489.70	512.60	4.68
JANUARY	488.50	488.50	0.00
FEBRUARY	483.60	482.80	(.17)
MARCH	490.40	487.40	(.61)
APRIL	497.80	492.80	(1.00)
MAY	504.40	497.60	(1.35)
TOTAL AVE.	486.27	498.61	2.54

**THOUSANDS

PREPARED JULY 1980



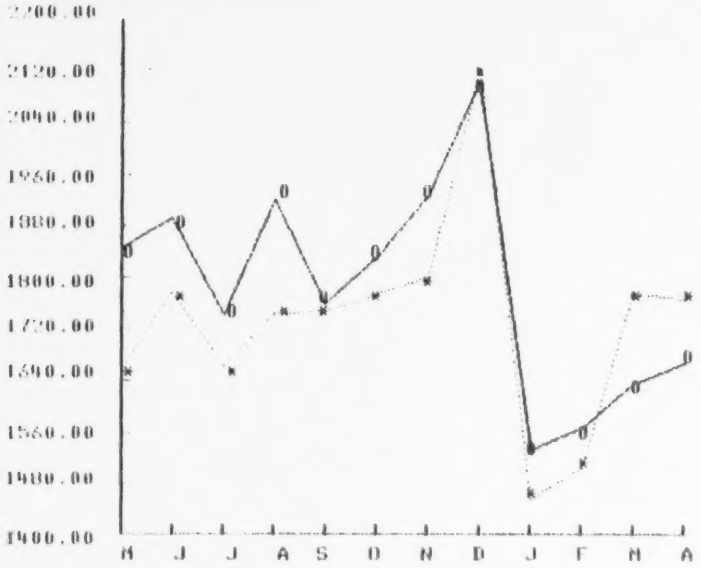
EXPENDITURES FOR PUBLIC WORKS AND
UTILITIES FACILITIES

* :1978 - 1979
0 :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
JUNE	219078.40	169373.00	(22.69)
JULY	247707.90	150997.00	(39.04)
AUGUST	264376.20	135466.90	(48.76)
SEPTEMBER	274098.30	131436.10	(52.05)
OCTOBER	320253.40	120315.00	(62.43)
NOVEMBER	337396.80	98753.70	(70.73)
DECEMBER	329020.40	94667.90	(71.23)
JANUARY	278095.00	83225.20	(70.16)
FEBRUARY	303407.00	75531.50	(75.11)
MARCH	257635.00	66108.40	(74.34)
APRIL	240437.40	45177.30	(81.21)
MAY	207178.00	38093.40	(81.61)
TOTAL AVE.	273290.32	100762.12	(63.13)

**THOUSAND $

PREPARED JULY 1980



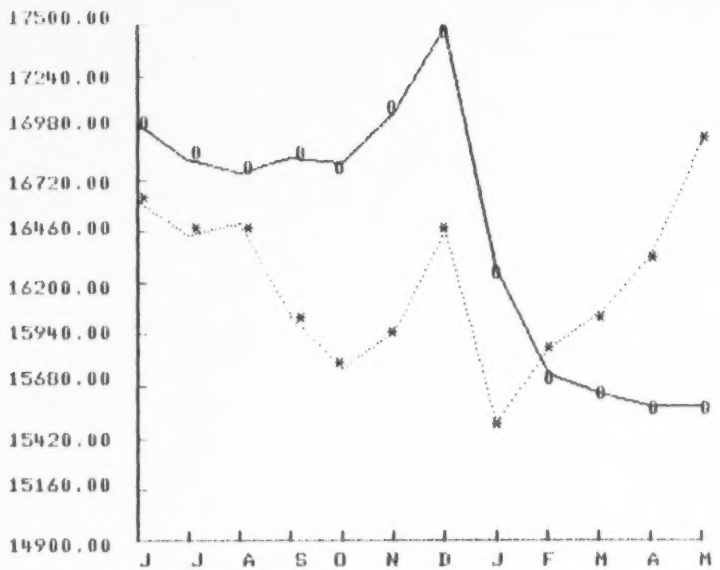
TOTAL RETAIL SALES

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	*/*Δ
MAY	1658.00	1843.00	11.16
JUNE	1773.00	1891.00	6.66
JULY	1659.00	1738.00	4.76
AUGUST	1743.00	1919.00	10.10
SEPTEMBER	1746.00	1755.00	.52
OCTOBER	1771.00	1829.00	3.27
NOVEMBER	1797.00	1925.00	7.12
DECEMBER	2119.00	2100.00	(.90)
JANUARY	1457.00	1532.00	5.15
FEBRUARY	1504.00	1565.00	4.06
MARCH	1771.00	1630.00	(7.96)
APRIL	1763.00	1662.00	(5.73)
TOTAL AVE.	1730.08	1782.42	3.02

**MILLION $

PREPARED JULY 1980



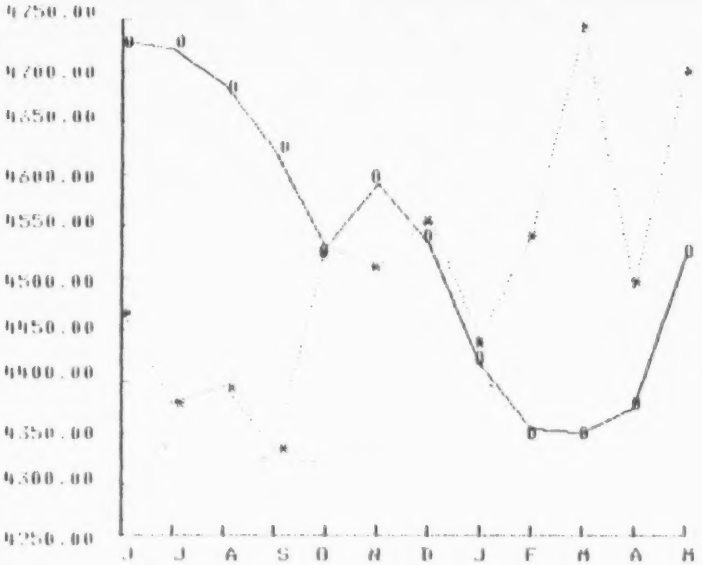
AVERAGE PEOPLE HOURS PER WORK WEEK
IN WHOLESALE AND RETAIL TRADE

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	*/*Δ
JUNE	16607.40	16994.90	2.33
JULY	16439.80	16813.70	2.27
AUGUST	16491.40	16746.60	1.55
SEPTEMBER	16017.30	16820.20	5.01
OCTOBER	15769.00	16793.50	6.50
NOVEMBER	15943.30	17055.60	6.98
DECEMBER	16453.90	17479.70	6.23
JANUARY	15485.50	16267.00	5.05
FEBRUARY	15862.10	15739.30	(.77)
MARCH	16036.10	15645.50	(2.44)
APRIL	16327.40	15572.50	(4.62)
MAY	16897.40	15574.90	(7.83)
TOTAL AVE.	16194.22	16458.62	1.63

**THOUSAND

PREPARED JULY 1980



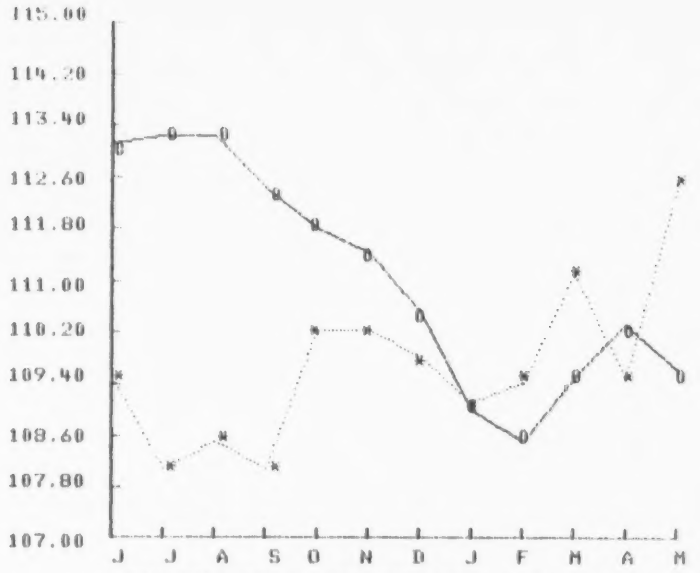
AVERAGE PEOPLE HOURS PER WORK WEEK
IN TRANSPORTATION COMMUNICATION,EMP

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
JUNE	4467.60	4727.60	5.82
JULY	4370.10	4720.40	7.82
AUGUST	4394.30	4686.50	6.65
SEPTEMBER	4334.80	4619.60	6.57
OCTOBER	4529.20	4527.90	(.03)
NOVEMBER	4507.20	4589.70	1.83
DECEMBER	4556.70	4530.50	(.57)
JANUARY	4440.40	4416.70	(.53)
FEBRUARY	4540.10	4353.00	(4.12)
MARCH	4741.80	4349.30	(8.28)
APRIL	4489.50	4372.30	(2.61)
MAY	4702.50	4519.90	(3.88)
TOTAL AVE.	4506.85	4534.45	.61

**THOUSANDS OF HOURS

PREPARED JULY 1980



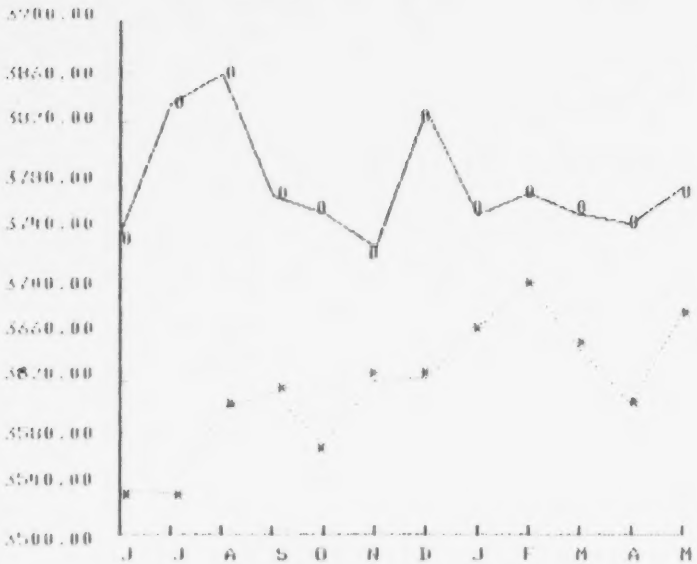
TRANSPORTATION, COMMUNICATION,AND
UTILITIES EMPLOYMENT

* :1978 - 1979
0 :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
JUNE	109.50	113.10	3.29
JULY	108.10	113.20	4.72
AUGUST	108.50	113.20	4.33
SEPTEMBER	108.10	112.40	3.98
OCTOBER	110.20	111.80	1.45
NOVEMBER	110.20	111.40	1.09
DECEMBER	109.80	110.50	.64
JANUARY	109.10	109.00	(.09)
FEBRUARY	109.40	108.50	(.82)
MARCH	111.10	109.50	(1.44)
APRIL	109.50	110.30	.73
MAY	112.50	109.60	(2.58)
TOTAL AVE.	109.67	111.04	1.25

**THOUSANDS

PREPARED JULY 1980



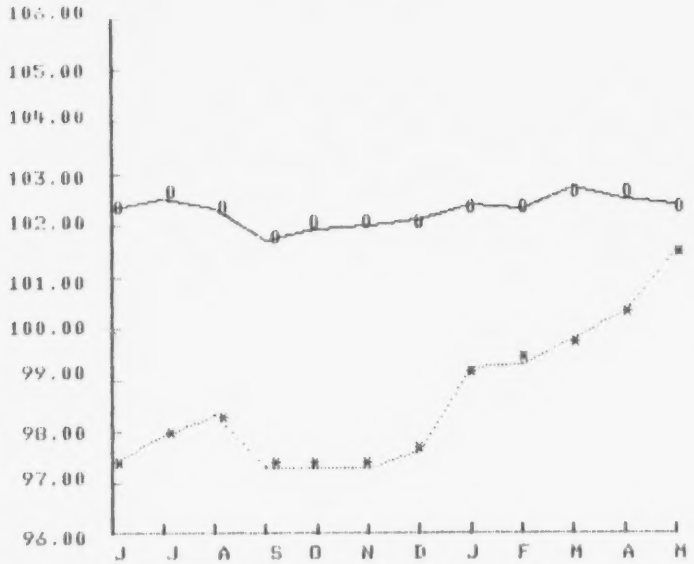
AVERAGE PEOPLE HOURS PER WORK WEEK
IN FINANCE, INSURANCE, REAL ESTATE

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
JUNE	3535.60	3734.00	5.61
JULY	3534.20	3833.50	8.47
AUGUST	3597.80	3856.70	7.20
SEPTEMBER	3609.80	3762.90	4.24
OCTOBER	3570.90	3749.90	5.01
NOVEMBER	3519.60	3723.00	2.86
DECEMBER	3621.00	3828.80	5.74
JANUARY	3660.50	3747.80	2.38
FEBRUARY	3694.00	3764.60	1.91
MARCH	3642.70	3748.60	2.91
APRIL	3600.80	3741.30	3.90
MAY	3674.30	3768.30	2.56
TOTAL AVE.	3613.43	3771.62	4.38

**THOUSAND HOURS

PREPARED JULY 1980



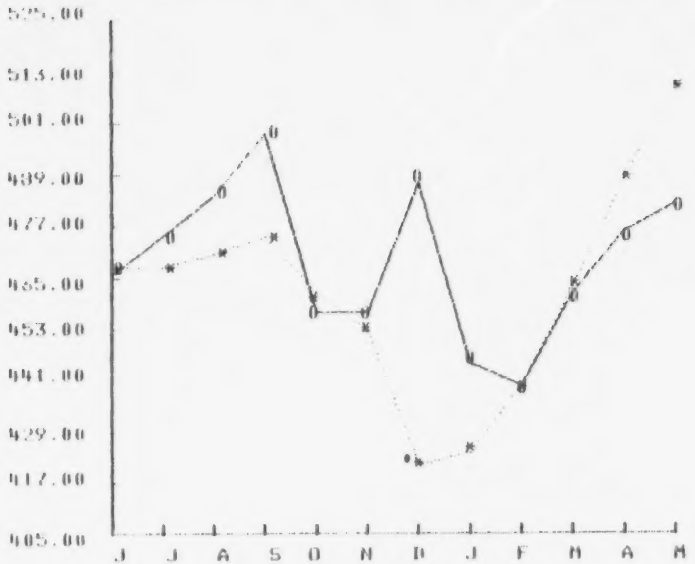
FINANCE, INSURANCE, AND REAL ESTATE
EMPLOYMENT

* :1978 - 1979
0 :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
JUNE	97.40	102.30	5.03
JULY	97.90	102.50	4.70
AUGUST	98.30	102.30	4.07
SEPTEMBER	97.30	101.70	4.52
OCTOBER	97.30	101.90	4.73
NOVEMBER	97.30	102.00	4.83
DECEMBER	97.60	102.10	4.61
JANUARY	99.20	102.40	3.23
FEBRUARY	99.30	102.30	3.02
MARCH	99.80	102.70	2.91
APRIL	100.30	102.50	2.19
MAY	101.50	102.40	.89
TOTAL AVE.	98.60	102.26	3.71

**THOUSANDS

PREPARED JULY 1980



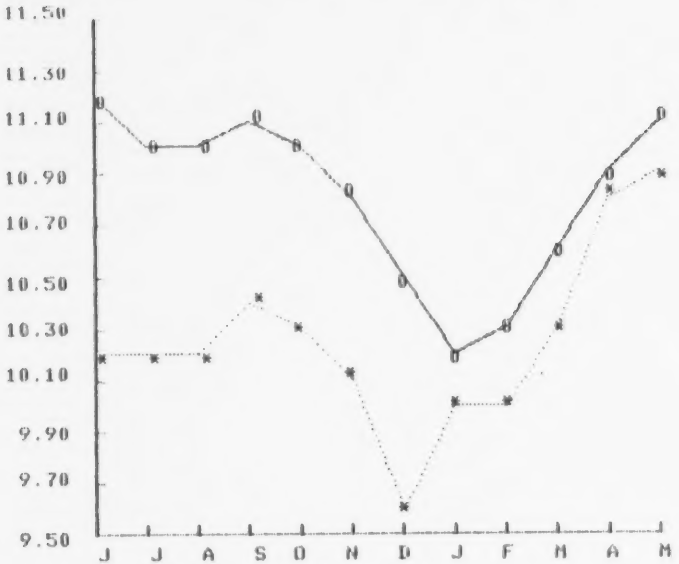
AVERAGE PEOPLE HOURS PER WORK WEEK
IN MINING

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	*/*Δ
JUNE	467.20	465.30	(.41)
JULY	467.20	474.10	1.48
AUGUST	470.20	484.00	2.93
SEPTEMBER	474.20	498.30	5.08
OCTOBER	461.40	456.80	(1.00)
NOVEMBER	452.50	456.80	.95
DECEMBER	421.40	486.20	15.38
JANUARY	424.00	444.70	4.88
FEBRUARY	440.00	439.80	(.05)
MARCH	462.50	461.10	(.30)
APRIL	487.20	475.20	(2.46)
MAY	509.60	481.70	(5.47)
TOTAL AVE.	461.45	468.67	1.56

**THOUSAND HOURS

PREPARED JULY 1980



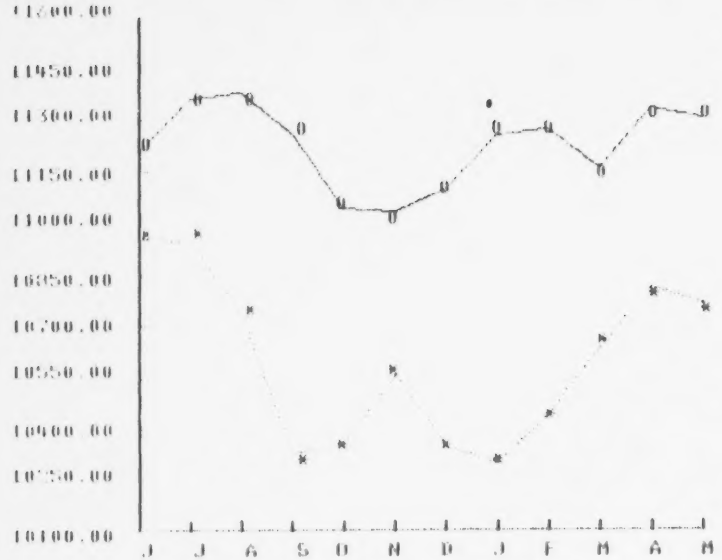
MINING EMPLOYMENT

* :1978 - 1979
0 :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	*/*Δ
JUNE	10.20	11.20	9.80
JULY	10.20	11.00	7.84
AUGUST	10.20	11.00	7.84
SEPTEMBER	10.40	11.10	6.73
OCTOBER	10.30	11.00	6.80
NOVEMBER	10.10	10.80	6.93
DECEMBER	9.60	10.50	9.38
JANUARY	10.00	10.20	2.00
FEBRUARY	10.00	10.30	3.00
MARCH	10.30	10.60	2.91
APRIL	10.80	10.90	.93
MAY	10.90	11.10	1.83
TOTAL AVE.	10.25	10.81	5.45

**THOUSANDS

PREPARED JULY 1980



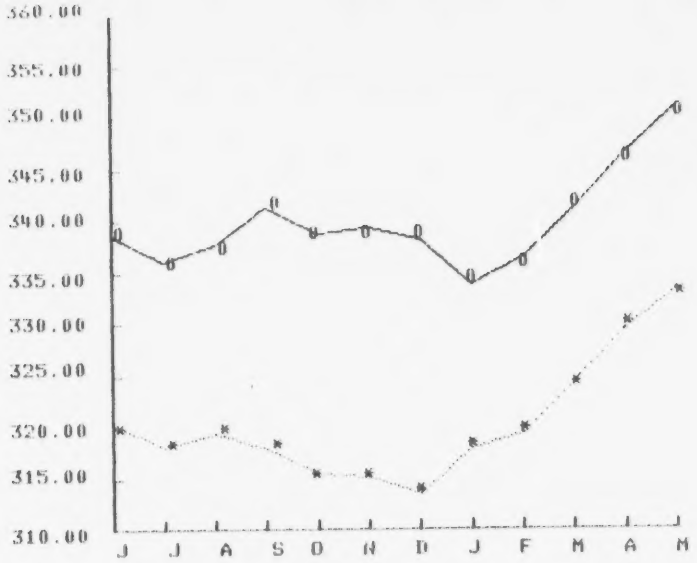
AVERAGE PEOPLE HOURS PER WORK WEEK
IN SERVICES

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%Δ
JUNE	10950.80	11204.40	2.32
JULY	10942.60	11356.80	3.79
AUGUST	10731.80	11373.80	5.98
SEPTEMBER	10328.50	11256.30	8.98
OCTOBER	10351.70	11038.40	6.63
NOVEMBER	10555.90	11024.00	4.43
DECEMBER	10348.80	11089.70	7.16
JANUARY	10300.00	11249.10	9.21
FEBRUARY	10444.40	11262.70	7.83
MARCH	10637.00	11150.70	4.83
APRIL	10804.30	11324.00	4.81
MAY	10762.40	11299.00	4.99
TOTAL AVE.	10596.52	11219.08	5.88

**THOUSANDS HOURS

PREPARED JULY 1980



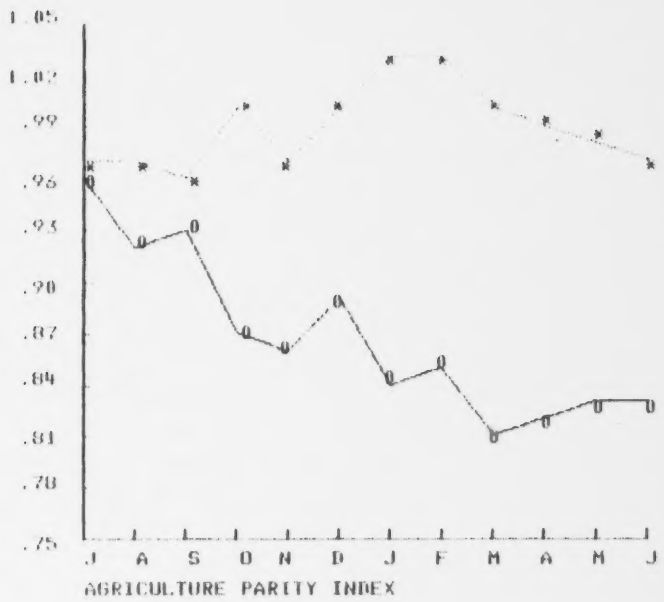
SERVICES EMPLOYMENT

* :1978 - 1979
0 :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%Δ
JUNE	320.20	338.50	5.72
JULY	318.10	336.00	5.63
AUGUST	319.40	337.50	5.67
SEPTEMBER	317.80	341.10	7.33
OCTOBER	315.60	338.60	7.29
NOVEMBER	315.10	339.20	7.65
DECEMBER	313.60	338.10	7.81
JANUARY	317.90	333.80	5.00
FEBRUARY	319.40	336.20	5.26
MARCH	324.30	341.00	5.15
APRIL	329.40	346.30	5.13
MAY	333.20	350.90	5.31
TOTAL AVE.	320.33	339.77	6.07

**THOUSANDS

PREPARED JULY 1980



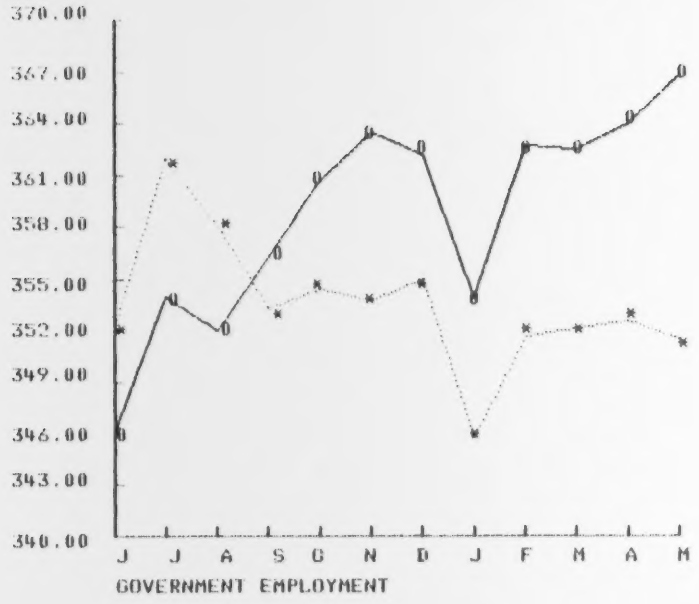
AGRICULTURE PARITY INDEX

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 80	+/-Δ
JULY	.97	.96	(1.03)
AUGUST	.97	.92	(5.15)
SEPTEMBER	.96	.93	(3.13)
OCTOBER	1.00	.87	(13.00)
NOVEMBER	.97	.86	(11.34)
DECEMBER	1.00	.89	(11.00)
JANUARY	1.03	.84	(18.45)
FEBRUARY	1.03	.85	(17.48)
MARCH	1.00	.81	(19.00)
APRIL	.99	.82	(17.17)
MAY	.98	.83	(15.31)
JUNE	.97	.83	(14.43)
TOTAL AVE.	.99	.87	(12.30)

**$ RECVD PER $ PAID

PREPARED JULY 1980



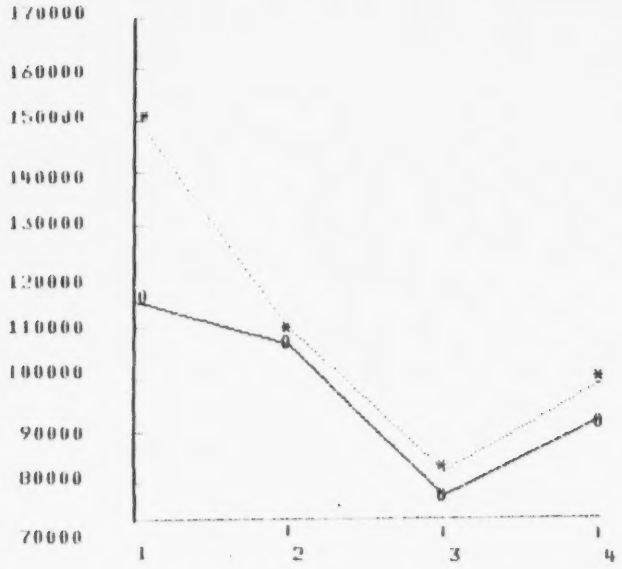
GOVERNMENT EMPLOYMENT

* :1978 - 1979
0 :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-Δ
JUNE	352.30	346.00	(1.79)
JULY	361.90	353.90	(2.21)
AUGUST	357.90	351.90	(1.68)
SEPTEMBER	353.20	356.20	.85
OCTOBER	354.40	360.60	1.75
NOVEMBER	353.70	363.40	2.74
DECEMBER	354.90	362.10	2.03
JANUARY	345.70	353.80	2.34
FEBRUARY	351.60	362.70	3.16
MARCH	352.00	362.40	2.95
APRIL	352.50	363.90	3.23
MAY	351.40	366.70	4.35
TOTAL AVE.	353.46	358.63	1.46

**THOUSANDS

PREPARED JULY 1980

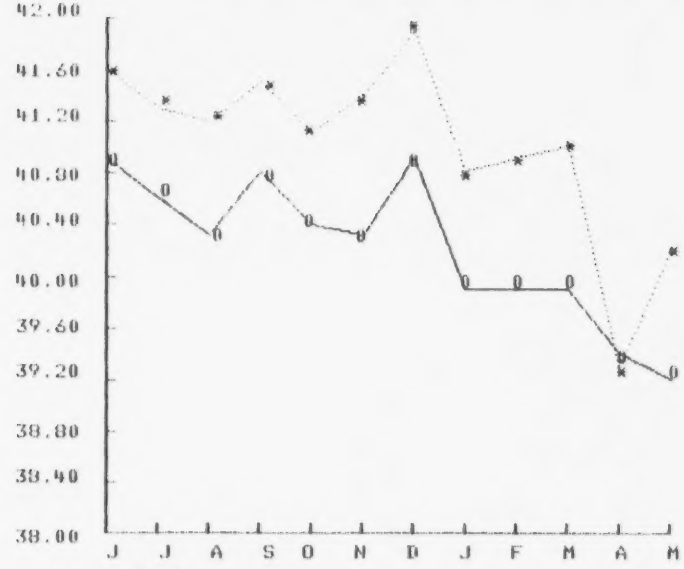


AGRICULTURAL EMPLOYMENT

* : 1978-1979
0 : 1979-1980

QUARTER	DATA VALUE	
	*	0
1 THIRD	151000	115000
2 FOURTH	110000	107000
3 FIRST	83000	78000
4 SECOND	100000	93000

PREPARED JULY 1980



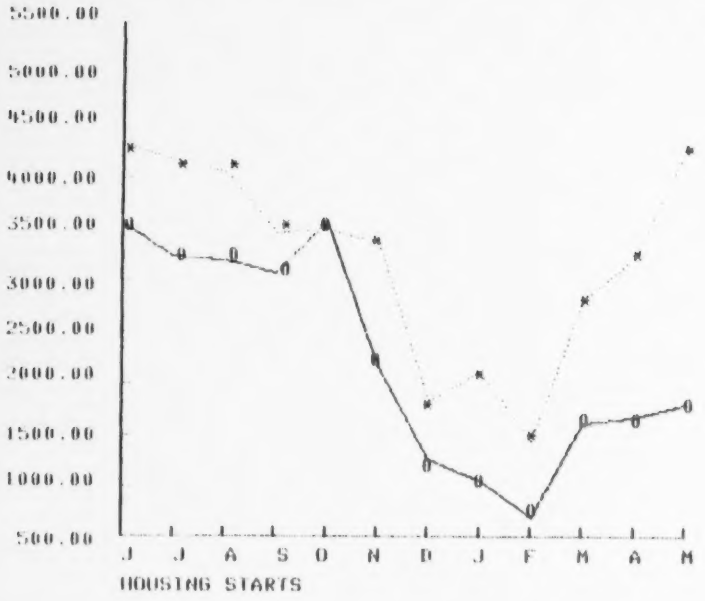
AVERAGE WORK WEEK IN MANUFACTURING

* :1978 - 1979
0 :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
JUNE	41.60	40.90	(1.68)
JULY	41.30	40.60	(1.69)
AUGUST	41.20	40.30	(2.18)
SEPTEMBER	41.50	40.80	(1.69)
OCTOBER	41.10	40.40	(1.70)
NOVEMBER	41.40	40.30	(2.66)
DECEMBER	41.90	40.90	(2.39)
JANUARY	40.80	39.90	(2.21)
FEBRUARY	40.90	39.90	(2.44)
MARCH	41.00	39.90	(2.68)
APRIL	39.30	39.40	.25
MAY	40.20	39.20	(2.49)
TOTAL AVE.	41.02	40.21	(1.97)

**HOURS

PREPARED JULY 1980



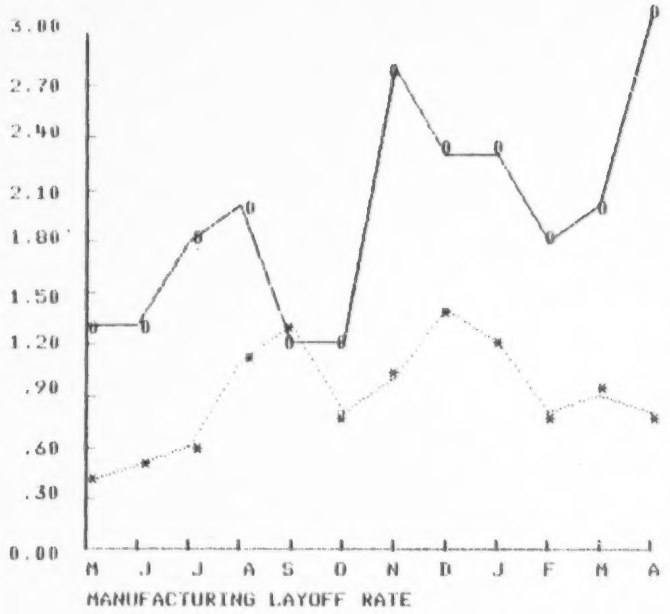
HOUSING STARTS

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
JUNE	4308.00	3554.00	(17.50)
JULY	4141.00	3215.00	(22.36)
AUGUST	4041.00	3191.00	(21.03)
SEPTEMBER	3450.00	3054.00	(11.48)
OCTOBER	3500.00	3561.00	1.74
NOVEMBER	3350.00	2153.00	(35.73)
DECEMBER	1809.00	1252.00	(30.79)
JANUARY	2098.00	1048.00	(50.05)
FEBRUARY	1443.00	695.00	(51.84)
MARCH	2796.00	1592.00	(43.06)
APRIL	3202.00	1655.00	(48.31)
MAY	4280.00	1786.00	(58.27)
TOTAL AVE.	3201.50	2229.67	(30.36)

**UNITS

PREPARED JULY 1980



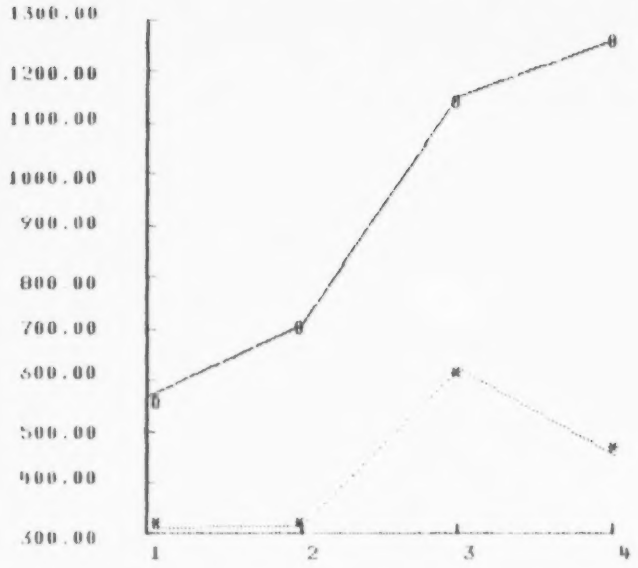
MANUFACTURING LAYOFF RATE

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	%/%Δ
MAY	.40	1.30	225.00
JUNE	.50	1.30	160.00
JULY	.60	1.80	200.00
AUGUST	1.10	2.00	81.82
SEPTEMBER	1.30	1.20	(7.69)
OCTOBER	.80	1.20	50.00
NOVEMBER	1.00	2.80	180.00
DECEMBER	1.40	2.30	64.29
JANUARY	1.20	2.30	91.67
FEBRUARY	.80	1.80	125.00
MARCH	.90	2.00	122.22
APRIL	.80	3.10	287.50
TOTAL AVE.	.90	1.93	113.89

**PER 100 WORKERS

PREPARED JULY 1980



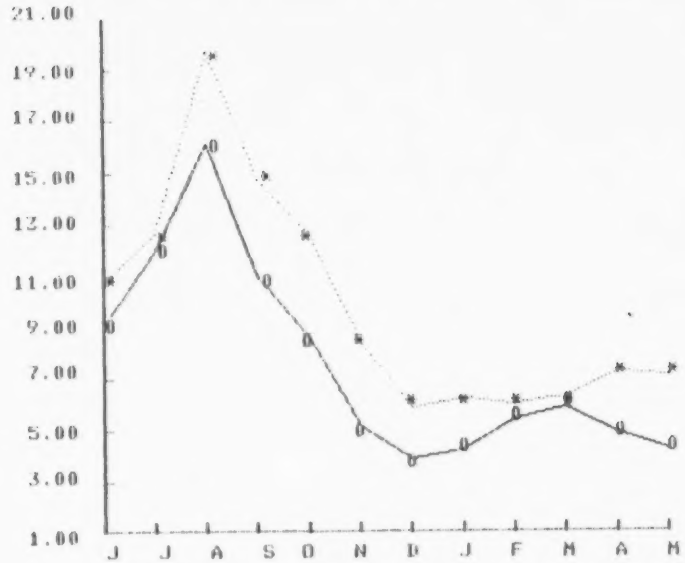
CONTINURED UNEMPLOYMENT CLAIMS

* : 1978-1979
0 : 1979-1980

QUARTER	DATA VALUE **	
	1978-1979	1979-1980
1 THIRD	313.1	566.0
2 FOURTH	314.4	706.0
3 FIRST	623.4	1148.6
4 SECOND	453.7	1256.6

**THOUSANDS

PREPARED JULY 1980



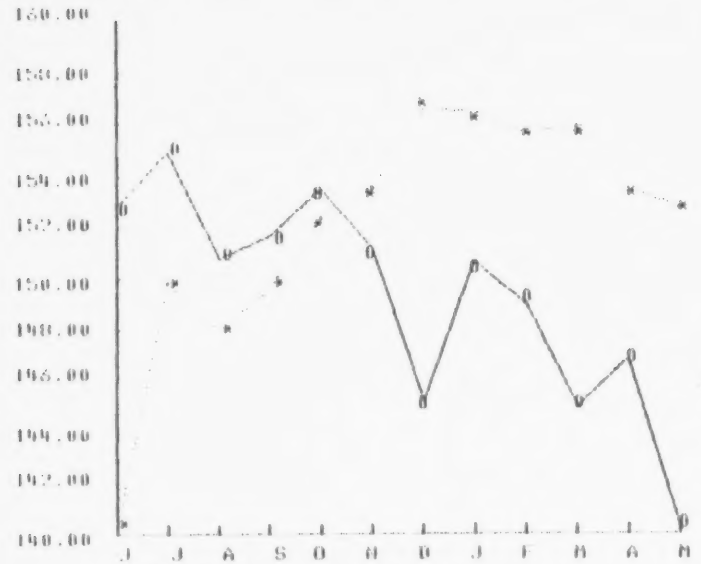
NON-AGRICULTURAL PLACEMENT OF INDIVIDUALS

* : 1978 - 1979
0 : 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	*/*Δ
JUNE	10.70	9.00	(15.89)
JULY	12.60	11.90	(5.56)
AUGUST	19.70	16.10	(18.27)
SEPTEMBER	14.70	10.90	(25.85)
OCTOBER	12.60	8.60	(31.75)
NOVEMBER	8.30	5.10	(38.55)
DECEMBER	5.80	3.90	(32.76)
JANUARY	6.20	4.20	(32.26)
FEBRUARY	6.00	5.40	(10.00)
MARCH	6.30	5.80	(7.94)
APRIL	7.20	4.90	(31.94)
MAY	7.10	4.20	(40.85)
TOTAL AVE.	9.77	7.50	(23.21)

**INDIVIDUALS

PREPARED JULY 1980



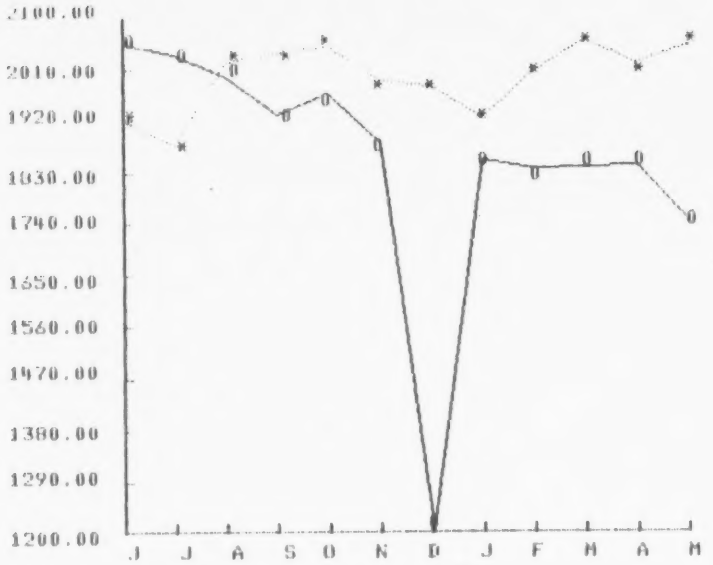
MANUFACTURING PRODUCTION LEVEL

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-%
JUNE	140.30	152.80	8.91
JULY	149.80	154.90	3.40
AUGUST	147.90	150.70	1.89
SEPTEMBER	149.60	151.60	1.34
OCTOBER	152.30	153.40	.72
NOVEMBER	153.50	151.10	(1.56)
DECEMBER	156.50	145.20	(7.22)
JANUARY	156.40	150.60	(3.71)
FEBRUARY	155.50	148.90	(4.24)
MARCH	155.80	145.00	(6.93)
APRIL	153.40	146.80	(4.30)
MAY	152.60	140.20	(8.13)
TOTAL AVE.	151.97	149.27	(1.78)

**1967=100

PREPARED JULY 1980



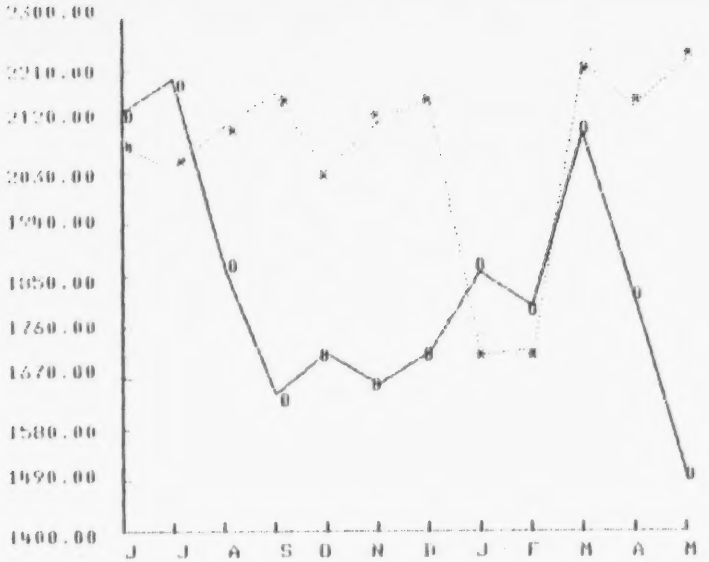
INDUSRIAL ELECTRICITY SALES

* :1978 - 1979
0 :1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-%
JUNE	1919.90	2052.10	6.89
JULY	1876.90	2034.40	8.39
AUGUST	2021.60	1993.00	(1.41)
SEPTEMBER	2036.20	1929.80	(5.23)
OCTOBER	2048.00	1963.60	(4.12)
NOVEMBER	1988.60	1878.50	(5.54)
DECEMBER	1976.20	1207.10	(38.92)
JANUARY	1922.00	1850.40	(3.73)
FEBRUARY	2003.70	1833.40	(8.50)
MARCH	2055.70	1837.30	(10.62)
APRIL	2015.50	1839.90	(8.71)
MAY	2046.50	1740.20	(14.97)
TOTAL AVE.	1992.57	1846.64	(7.32)

**MILLION KWH

PREPARED JULY 1980



RAW STEEL PRODUCTION

* 1978 - 1979
0 1979 - 1980

MONTH	DATA VALUE **		
	78 - 79	79 - 80	+/-%
JUNE	2073.10	2136.20	3.04
JULY	2038.40	2189.30	7.40
AUGUST	2108.00	1860.50	(11.74)
SEPTEMBER	2163.40	1641.80	(24.11)
OCTOBER	2029.30	1711.60	(15.66)
NOVEMBER	2115.30	1657.70	(21.63)
DECEMBER	2153.30	1713.30	(20.43)
JANUARY	1710.30	1853.20	8.36
FEBRUARY	1715.60	1795.00	4.63
MARCH	2216.00	2095.20	(5.45)
APRIL	2140.90	1810.50	(15.43)
MAY	2210.80	1496.50	(32.55)
TOTAL AVE.	2056.87	1830.07	(11.03)

**THOUSAND NET TONS

PREPARED JULY 1980

DATA SOURCES

The following information is from the U.S. Department of Commerce.

Personal Income - "Survey of Current Business," first quarter 1980 is latest available, seasonally adjusted at annual rates.

Retail Sales - "Monthly Retail Trade," U.S. Bureau of the Census, preliminary April 1980 is latest available, other months are revised, not adjusted for seasonal variations, holiday or trading day differences.

The following is from Purdue University, Department of Agricultural Statistics.

Agricultural Employment - Quarterly data, latest is second quarter 1980.

Prices Received by Farmers - Mid-month figures, latest available is May 1980.

The following are from the Indiana University School of Business, Business Research Division.

Industrial Electricity Sales - Original series, latest month available is May 1980.

Raw Steel Production - Original series, latest month available is May 1980.

Residential and Non-residential Expenditures - Original series, latest month available is May 1980.

Housing Starts - Original series, latest month available is May 1980.

Construction of Public Works and Utilities Facilities - Original series, latest month available is May 1980.

Manufacturing Production - Seasonally adjusted series, latest month availability is May 1980.

The following data is from the Indiana Employment Security Division.

Aggregate Employment, Unemployment Rate, Average Work Week in Manufacturing, Non-agricultural Placements, Manufacturing Employment and the Employment Figures for the Various Non-manufacturing Sectors - Latest month available is May 1980. All of these, except Non-agricultural Placements, are revised each month. For example, the May data not only gives the preliminary May figures, but also revises the April figures.

Manufacturing Layoff Rate - Latest month available is May 1980 and these monthly figures are not revised.

Average people hours per work week is derived by combining Indiana Employment Security employment data multiplied by Indiana Employment Security average work week information. It should be noted that the indicators which are expressed in dollar amounts are in current dollars. This is due to the fact that even though there are implicit price deflators for the various sectors of GNP, these deflators are not specific to Indiana and thus cannot be applied.

Information pertaining to nationwide construction of residential and non-residential building was obtained from F.W. Dodge, Division of McGraw-Hill Information System Company.